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The strains of the
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How companies can
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Food joint ventures
Recipe for
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Tomorrow's Weekend FT
Galileo's telescope: does
God believe in science?



FINANCIAL TIMES

Europe's Business Newspaper

FRIDAY JANUARY 22 1993

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Pollution alert as tanker spills oil off Sumatra coast

A blazing supertanker laden with almost 2m barrels of light crude started spilling oil into the sea off the northern tip of Sumatra. Fire-fighting vessels and tugboats were on their way from Singapore amid indications that oil from the Danish-owned Maersk Navigator was being driven by winds towards Malaysia. Salvage experts flew to the scene to check the extent of spillage from the 253,000-tonne tanker, abandoned by its crew and still drifting after colliding with another ship. Page 3; MEPs call for tanker controls, Page 2

Time Warner, US media and entertainment group, is to redeem \$2.5bn worth of convertible preferred stock in line with its stated intention of reducing bank debt and the cost of preferred stock dividends. Page 13

British jobless nears 3m UK unemployment rose to nearly 3m, a total described as "deeply disappointing" by prime minister John Major. The news lifted hopes of an interest rate cut. Page 12 and Lex

Baird under fire at Senate hearings
Zoe Baird, US president Bill Clinton's nominee for attorney-general, insisted she would not withdraw her nomination after tough questioning from senators about her employment of illegal aliens. She argued that awareness of her own transgression, in hiring two Peruvians for household chores, would help her to dispense justice more equally. Clinton said he expected her to be confirmed. Page 4

Boost for Russian investment The World Bank is to reform its lending policies in an attempt to boost investment in former communist states, especially Russia, by making it more attractive for other banks to lend money. Page 2; Former Soviet republics try to avert trade collapse, Page 4

Brazil introduces fiscal reforms The Brazilian government has won Congressional approval for a tax on financial transactions, which should generate \$7.2bn in extra revenue. Page 4

Kansallis-Osake-Pankki, Finland's leading commercial bank, expects a Fm3.5bn (\$44m) pre-tax loss in 1992, more than double the 1991 deficit, and does not foresee a return to profit before 1995. Page 13

Cambodia peace plan unravels Khmer Rouge guerrillas rejected the refusal to take part in Cambodia's May elections, a decision that will almost certainly lead to the country being partitioned. Page 3

SE Banken restructuring Skandinaviska Enskilda Banken, Sweden's largest commercial bank, is splitting its operations into three parts including a special division to handle non-performing loans. Page 13

Lloyd's of London is likely to lose out of at least \$2.5bn (\$3.8m) over the next two years, which would put further strain on the insurance market's capital base. Page 6

Bosnian-Muslims claim advances Serbs sent two aircraft to bomb Bosnian Muslims in contravention of UN resolutions - after Muslim-led government forces claimed big gains in battles with rebel Serbs in eastern Bosnia.

Blow for Japanese retail sector Japan's retailers, hit by a slide in consumer spending and falling profits, suffered a further blow with reports that Shuwa, stock and property speculator, was selling its stake in leading department stores. Page 14

Israel's credit rating upgraded Israel's debt rating has been upgraded by Standard and Poor's in response to a perceived improvement in the Middle East political outlook, progress in economic reforms and the granting of US loan guarantees. Page 3

McDonnell Douglas, US aerospace group, expects 1992 earnings to fall well below 1991 because of loss provisions in its C-17 military transport aircraft programme and lower earnings from commercial aircraft. Page 15

US supermarket founder dies Joseph A. Albertson, who built an Idaho grocery store into a 670-strong supermarket chain across 19 states, died at his Boise home, aged 66.

| ★ STOCK MARKET INDICES | | | ★ STERLING | | |
|------------------------|---------|---------|-------------------|----|--------|
| FT-SE 100 | 2,773.3 | (+0.4%) | New York headline | \$ | 1,518 |
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NEWS: EUROPE

Single market beacon starts to flicker

By Our Foreign Staff

NO ONE expected that the New Year beacons lit to launch the EC's single market would herald a completely smooth transition to a barrier-free Europe.

But yesterday's news from Brussels that enforcement of single market legislation will for the moment be lenient indicates that the start-up could be more problematic than many hoped.

The most vigorous response to the statement by Mr. Rainero Vanni d'Archirafi, internal market commissioner, came yesterday from British industry. In Europe's biggest economy, by contrast, the Federa-

tion of German Industry (BDI) reacted with equanimity. It called the announcement a rational response to individual countries' delays in implementing legislation.

Germany had still to implement 20 per cent of single market legislation and Italy more than 30 per cent, said Mr. Rainero Vanni d'Archirafi, internal market commissioner.

A special working party set up to monitor any difficulties encountered by German business had received "very few" complaints. These mostly concerned complications over turnover tax, Mr. Franz added.

Officials at the Germany's motor manufacturers' association said all was running

smoothly. "It is not as though the single market fell suddenly from the sky," one said.

British industry was less sanguine. "We take a very strong view about the need for uniform enforcement so that all countries play square by the rules," said the Confederation of British Industry.

The CBI is concerned about what it calls a "mess" in introducing a uniform EC-wide system for collecting value added tax.

Ms Anne Robinson, head of the policy unit at Britain's free-market Institute of Directors, said of the EC Commission: "Their job is to make sure that there is free access to goods and services in the single market. They shouldn't be

turning a blind eye."

ICI, the British chemical company, adopted a less tough stance, saying of single market infractions: "There are bound to be companies outside the UK which haven't got their act together."

Small business could, on the other hand, suffer from lack of enforcement. Ms Lindsay Wittenberg, a European business consultant based in Hove on the Sussex coast, said yesterday's statement "diminishes the seriousness of the whole thing. What does it do for the image of the Commission if they say it doesn't really matter what companies are doing?"

UK companies habitually

point to Italy as failing to live up to single market rules. However, Italian companies and government officials said yesterday it was far too early to monitor effectively the workings of the single market.

Companies say the main problems have arisen over confusion in government departments, especially those dealing with customs and VAT. Officials admit to confusion and say the difficulties have been caused by the large number of ministerial orders which need to be sent round departments explaining government decrees.

In many instances these orders have either not yet been circulated or they have yet to be

formulated. As a result bureaucrats lower down have tended to operate by existing regulations.

Dutch road hauliers, who carry more than 20 per cent of cross-border road cargo traffic in the EC, have so far reported few problems at EC borders.

"We are cautiously optimistic that the internal market has got off to a good start," according to Mr. Erik Runia, secretary for international affairs at the Royal Dutch Road Haulage Association (KNV) in The Hague.

Reports by David Marsh in London, Christopher Parkes in Frankfurt, Robert Graham in Rome and Ronald van de Krol in Amsterdam.

NEWS IN BRIEF

Euro-MPs call for oil tanker controls

THE European parliament yesterday called for tighter controls on oil tankers operating in EC waters in the wake of the Braer disaster in the Shetlands, writes Lionel Barber in Strasbourg.

MEPs criticised member states and the Commission for failing to crack down on rogue tankers operating with inadequately trained crews, but praised the Commission's Ecu700,000 (\$861,000) aid for Shetland's stricken farmers and fishermen.

The parliament urged tougher safety measures, including banning oil tankers more than 15 years old from EC ports, setting a date for banning oil tankers without a double hull from EC waters, obligatory pilot guidance when tankers pass near the coast and inspections of ships in EC ports.

Chemical markets 'dead'

Germany's chemicals industry is facing its worst year since the last recession in 1982, according to Mr. Wolfgang Hilger, president of the Verband der Chemischen Industrie manufacturers' association, writes Christopher Parkes in Frankfurt.

Falling prices, rising costs and flat output are expected to reduce profits further in 1993, added Mr. Manfred Schneider, chairman of Bayer. He expected a further slight drop in prices, while other factors would remain unchanged. Although industry sales fell only 1.6 per cent to DM171bn (\$107.5bn) last year, profits dropped 30 per cent following falls of 25 per cent in 1991 and 30 per cent in 1990. Mr. Hilger, who is also chairman of Hoechst, said markets were "dead" and the decline could cost 20,000 jobs in the west this year.

Czechs buy up foreign currency

Foreign currency reserves of the Czech central bank fell from \$447m to \$482m in the three weeks since the separation from Slovakia, writes Patrick Blum from Prague. The drain on central bank reserves reflects a strong demand for foreign currency from commercial banks in response to the demand for hard currency from individuals and companies nervous about the expected split into Czech and Slovak crowns.

The decline in central bank reserves has not led to an outflow of reserves from the banking system as a whole. The Slovak central bank has reported similar decline in foreign currency reserves with many Slovak citizens buying hard currency believing the Slovak crown will be devalued once the split, originally scheduled for mid-year but now expected sooner, takes place.

Swedish inflation at record low

Swedish inflation fell to 1.9 per cent in December, the lowest annual increase since 1959, Reuter reports from Stockholm. Economists said the effective 20 per cent devaluation of the Swedish krona since November 19, making imports dearer, had not yet worked through to the consumer price index.

Finnish unemployment rises

Finnish unemployment rose to a record 18.6 per cent last month, underlining the severity of the recession, writes Christopher Brown-Humes from Stockholm. The figure compares with 16.9 per cent for November, according to the Labour Ministry. The figures will give new urgency to talks between government and opposition on measures to stimulate the economy.

Car makers lower EC sale target

By Kevin Done, Motor Industry Correspondent

EUROPEAN car makers are lowering their forecasts for new car sales in west Europe because of the prospect of declining economic growth in the European Community.

EC sales of new cars and light commercial vehicles (up to 5 tonnes gross vehicle weight) are forecast to fall by 7.5 per cent this year to 12.84m from 13.9m in 1992, according to the European Automobile Manufacturers' Association.

The German vehicle market is expected to suffer one of the sharpest declines, with a fall in sales of around 10 per cent.

EC governments should offer subsidies and tax incentives to stimulate sales of electric cars, according to a report by members of the European Parliament.

The report calls for action to encourage a switch to "cleaner" cars in order to ease the burden placed by exhaust emissions on towns and cities.

The report claims that an achievable target for the use of electric cars in towns is 7 per cent of total vehicle volume by 2002. Studies show that 80 per cent of car journeys cover fewer than seven miles, says the report. Most electric cars would have a range of between 70 and 140 miles before batteries needed recharging.

The Dutch government announced last week that it would give companies tax incentives to encourage them to buy electric vehicles.

Banks head Belgium's sell-off list

BELGIUM may begin a series of state asset sales this year by selling two public credit institutions and several industrial assets to raise Bfr25bn (\$751m), a finance ministry official said, Reuter reports from Brussels.

The two public banks are the country's biggest savings bank, ASLK-CGER, and the industrial credit bank, NMKN-SINGI. "These are the assets that are under consideration," the official said, quoting the finance minister, Mr. Philippe Maystadt. He said Mr. Maystadt received a list of companies for possible privatisation in 1993 from the Malgourette Commission, an advisory body on the sell-off.

The government also plans to sell a stake in mortgage company, OCH-CBHK. The industrial assets for sale are stakes held by the state holding company, SNIM-NIM, in the natural gas company, Distrigaz, the holding company, Nationale Portuilaemaatschappij, the National Pipeline Company, and the Societe Publique d'Electricite.

The nuclear energy company, Belgonucleaire, is also on the list.

The centre-left government of the prime minister, Mr. Jean-Luc Dehaene, intends to use the sale of state assets to cut the huge budget deficit.

The Finance Ministry later said that the Malgourette Commission has set minimum prices for the assets. State companies to be sold after 1993 are yet to be studied by the commission, it added.

Bonn warned of solidarity pact's flaws

By Judy Dempsey in Berlin

THE proposed solidarity pact between the government, opposition, Länder and trade unions, will be insufficient to pull the east German economy out of stagnation, according to German economists.

Eastern Germany will remain a burden on central government unless the Bundesbank cuts interest rates, the unions stop insisting on wage parity between the east and west Länder, and subsidies are extended to industries not yet privatised, according to Berlin's authoritative economic research institute, DIW.

"We cannot even begin to talk about eastern Germany catching up if these three elements are not included in a solidarity pact," said Mr. Helner Flassebeck, one of the chief economists at DIW.

The warnings coincide with forecasts by both the DIW and IWH, the economics research institute in Halle, showing how the gap between revenue and expenditure in east Germany is expected to widen to 29 per cent, an increase of 13 per cent compared to 1992. According to the DIW forecast, revenue is estimated to total DM312.5bn (\$195.5bn), an increase of DM16.6bn on last year, while expenditure will rise to DM341bn, an increase of DM29.4bn.

Figures for gross domestic product is expected to decline

by nearly 1 per cent to 3.5 per cent this year. However, this figure does not reflect real growth when set against the sharp drop in GDP which fell by 31.4 per cent in 1991. The IWH estimates that unemployment is likely to settle at 18 per cent of the total labour force, although it is already as high as 40 per cent in some regions.

Growth forecasts may, however, be revised downwards since the recession in west Germany could force its medium-sized companies to reconsider current investment plans for the east.

As a first step towards attracting investment from the west to the eastern Länder, Mr. Flassebeck says interest rates must be lowered, otherwise, "we could see a stagnation of investment in eastern Germany. The eastern Länder would require an annual investment rate of DM120bn a year - only then can we talk about the region catching up."

Current annual western German private investment in the eastern Länder totals DM20bn - a fifth of west Germany's annual private investment.

Apart from lower interest rates, both institutes agree that the trade unions must decide between "jobs and income". Economists reckon that labour costs in east Germany are 80 per cent higher than in west Germany if productivity and wage levels are taken into account.

Daimler-Benz chief urges policy rethink

By Quentin Peel in Bonn

AN URGENT appeal was yesterday issued by Mr. Edzard Reuter, the head of Daimler-Benz, Germany's largest industrial group, for business leaders and politicians to give the country a new sense of direction, writes Quentin Peel.

He said the country was facing both an economic and a psychological crisis with unification, which required a complete rethink and reorientation of German society.

However, he warned that far too many leaders of business, trade unions and politicians were burying their heads in the sand.

In a full-page article in Die Zeit, the weekly newspaper, Mr. Reuter said that the country must become dedicated to both integration and innovation, and put far more emphasis on original research and development.

He warned that transfers to support and restructure the

east of the country would cost between DM150bn (\$94.3bn) and DM200bn a year for many years to come - at least 10 per cent of the total public sector budgets in the west.

"This cannot under any circumstances be financed by increased borrowing, without unleashing an illegal flood of monetary depreciation," he warned. "State indebtedness in the future must be strictly limited to investments, dedicated to the development of the country."

"This means there is nothing more to be shared out for a long time ahead. Even if many of us have still not grasped it, just as re-unification was a lucky gift from history, so unification is also making us economically poorer," Mr. Reuter said.

Although tax increases to finance those flows would be inevitable, it was precisely the wrong moment to burden the business sector with new taxes, he warned.

Franco-German co-operation 30 years on

French President François Mitterrand (top left) and German Chancellor Helmut Kohl (top right) standing for their respective anthems in Bonn yesterday to mark the 30th anniversary of the Franco-German co-operation treaty.

At a later ceremony, German Chancellor Helmut Kohl said that the treaty had been "an expression of the wishes of both our peoples to open a new chapter in our common destiny over the years."

Mitterrand remarked that the two countries had long had considerable importance in the world and said that this importance would grow if their common dreams of European union were realized.

French President Charles de Gaulle (bottom right) and West German Chancellor Konrad Adenauer signing the pact on January 22 1963 at the Elysee palace in Paris.

The main provisions of the treaty, which, according to its preamble, was designed to put "an end to a centuries-old rivalry," provided for co-operation on a broad range of policy, notably on foreign affairs and defence.

After the ceremony, De Gaulle said that the pact's importance was "not only because it turns the page after so long and so bloody a history of struggles and battles, but also because it opens wide the gates of a new future for France, Germany, Europe, and, in consequence, the whole world."

Adenauer responded: "You have expressed the feelings of all those who have shared in this work in such a perfect manner. I have nothing to add. Each of your words corresponds to our hopes." The two men then embraced.



Nato blessing for the Euro-corps

By David Buchanan in Paris

FRANCE and Germany yesterday signed an agreement with Nato on how their planned "Euro-corps" of some 35,000 soldiers could operate within the North Atlantic alliance, and invited other European countries to join the force.

This was the most concrete achievement of a day set aside by Paris and Bonn to celebrate the 30th anniversary of the Franco-German treaty, which since the era of De Gaulle and Adenauer has generated a series of advances in European integration.

President François Mitterrand flew to Bonn to join

Chancellor Helmut Kohl in lauding Franco-German ties as a model relationship between countries. But at the ceremony in Bonn's new national art gallery, the German leader warned that western Europe could still not consider itself safe from the evils of nationalism.

"The ghost of nationalism is not just at home in the Balkans," said Mr. Kohl. With Germany in particular plagued by a racist backlash against immigration, there was still a danger of "a relapse into intolerance and chauvinism," he added.

A joint statement by Mr. Pierre Joxe and Mr. Volker Rühe, defence ministers of

France and Germany respectively, invited "our partners in Europe to participate in the [army] corps, because France and Germany do not consider their co-operation as exclusive."

The Euro-corps, which is to be formed out of the nucleus of the current Franco-German brigade and based in Strasbourg by 1995, initially worried Washington, because it appeared to rival Nato commitments.

Yesterday's accord, signed between General John Shalikashvili, the top Nato and US commander in Europe, and the German and French chiefs of staff, allows Nato to call on the Euro-corps in time of crisis.

But, at French insistence, Nato commanders must deploy the Euro-corps as a unit and not split it up. With a link to Nato now established, the Euro-corps may now attract wider participation. Belgium, Spain and Luxembourg have expressed interest in joining it.

The most spectacular example of recent Franco-German co-operation has come in the form of Bundesbank support for the French franc, when it was under speculative attack.

Mr. Kohl reaffirmed backing for France's fight to keep the franc's parity with the D-Mark: "We will not let artificial turbulences shake the achievement of a policy that has been crowned with success."

World Bank may relax rules for Russia

By John Lloyd in Moscow

THE World Bank is about to change one of its fundamental regulations governing its lending policies in an attempt to raise the desperately low level of investment in the former communist states, especially Russia.

The Bank's board, which met last week, is now leaning towards waiving its "negative pledge" rule for the financing of projects in the former communist and a few other states. The rule, binding on the states which join the Bank and participate in a Bank programme, lays down that the state, or state enterprises, cannot give equal or more favourable terms to other investors than they have to the Bank.

This means, in practice, that

a state cannot pledge the future income from a project, such as an oil well, to other banks where such a pledge has already been given to the Bank. It has inhibited other lending agencies, especially the European Bank for Reconstruction and Development, from advancing credits particularly in the energy sector where much of its lending is concentrated.

Mr. Sergei Konichev, chairman of the Russian Development and Project Finance Bank, said this was "a very important and positive policy step" in relations between foreign banks and Russian companies. "Nothing much has happened in the field of investment in Russia for the past three years, and this could help a lot," he said.

Mr. Anthony Toft, a World Bank official, said they were still working out the details of how to modify the policy.

"There are many factors to be considered when banks or companies are considering making investment in the former Soviet Union - but the people there themselves think that they need to be able to offer some sort of security now or investment will not come, even if everything else was thought to be right."

The Bank's policy has been put to the test most of all in the former communist states - defined as "economies in transition" - because almost all enterprises are effectively state owned, and thus all are covered by negative pledge. In the case of poorer countries, such as in Africa, the negative

pledge rule is not applied.

However, the Bank is determined to retain the rule in the case of existing assets - applying a waiver only where investment can be shown to produce a new or increased stream of income from which repayments could be made. Because of the scale of the Bank's operations and borrowing needs, negative pledge has been required to reassure its creditors of the ability of its debtors to repay large loans.

"What we're trying to do here is to avoid becoming the gatekeeper for investment into Russia," said Mr. Toft. "We want to work out a system which will allow a category of project to automatically qualify for our waiver so that investment can be stimulated."

Hungary torn between gentleman and the jackboot

The ruling party is facing a far-right challenge, write Nicholas Denton in Budapest and Anthony Robinson in London

HUNGARY'S political stability and that of much of central Europe could hinge on the outcome of the congress of the ruling Hungarian Democratic Forum which begins today in Budapest. Three years after Mr. József Antall led his party to victory at Hungary's first free elections, the moderate prime minister faces a struggle for the soul of the party against right-wing nationalists led by Mr. Istvan Csűrka.

The ultra nationalist writer is seeking to swing the forum away from the moderate conservatism, which has attracted foreign investors, towards a more assertive nationalism tinged with xenophobia and anti-semitism. He hopes to capitalise on voter dissatisfaction with the results of economic reform to date, popular demands for the punishment of former ruling communists and nervousness about rising

anti-Hungarian sentiment in neighbouring states where more than 3m ethnic Hungarians live.

The latest opinion polls show that the forum, which gained around 25 per cent of the vote but 43 per cent of the parliamentary seats in the 1990 elections, is now supported by only 8 per cent of the electorate.

Mr. Antall is expected to argue that the party must strengthen its appeal as a party of the centre if it is to retain its position at the heart of Hungarian politics and keep Hungary an island of tranquillity in an increasingly volatile region. That means winning back voters nostalgic for the lost security of the communist years, competing with the youthful Fidesz party for the younger vote, and convincing waverers that the liberal economic reforms, and open-door policy for foreign investment, are the only ways to ensure a return to the stable

growth which will raise incomes and reduce unemployment from present politically dangerous levels.

For months Mr. Csűrka has been waging his campaign for a radical right-wing shift in the forum's policies through an unremitting barrage of essays and pamphlets.

The most famous was a fiercely nationalist, anti-semitic diatribe thrown into the still pond of the August summer holidays. He called on the HOF, and Hungarians at large, to resist a conspiracy of Jews, communists, liberals, journalists and bankers who threatened Hungary's identity. He also re-awakened the debate over the future of the 3m ethnic Hungarians who now live outside the boundaries drawn by the 1920 Treaty of Trianon which deprived Hungary of two-thirds of its former territory. He provided ammunition to anti-Hungarian nationalists in neighbouring states by referring

to Hungary's *Lebensraum*, a term coined by the Nazis for territorial expansion. To crown it all, he urged Mr. Antall, who is ill with cancer, to resign.

Most recently Mr. Csűrka has turned his guns on the western companies which have invested more than \$1m in Hungary over the last three years, more than in any other east European country. One bizarre allegation gives a flavour.

Westerners, through their agents in the press, had inspired the recent outbreak of pig-plague so they could snap up Hungarian meat processors cheaply, he alleged.

The nationalist writer's eccentric rhetoric, far from condemning him to the margins of politics, has strengthened his position.

However, Mr. Antall is unwilling to jeopardise the stability which he prizes so much by breaking with Mr

Csűrka, because this would split his party, cause the loss of its parliamentary majority, and open an electoral second front on the right of the forum in the 1994 elections.

Yet the prime minister is acutely sensitive about the damage to Hungary's international reputation caused by Mr. Csűrka's continued role in the governing party. Mr. Antall's own background in the Hungarian gentry gives him little in common with Mr. Csűrka's crude populism. The prime minister's moderate supporters hope that their command of the party leadership and control of the agenda will allow them to head off any challenge from the floor.

The far right plans to strengthen its influence by making gains at the expense of moderates in the policy-making 30-man party presidium. But Mr. Antall yesterday threatened to resign if the the presidium elec-

tions did not confirm his moderate line. The main question for Mr. Antall and his supporters is not so much how to prevent Mr. Csűrka's supporters either taking over the party or leaving it, but how many policy concessions the prime minister will have to make to keep the party together until the elections.

Pessimists fear that the governments pre-congress purge of alleged liberals from the state-owned radio and TV, one of the Csűrka nationalists' main demands, could well be a harbinger of things to come. But Mr. Antall is expected to survive as party leader and prime minister of a country which is well aware that a hardening of nationalist rhetoric in support of ethnic Hungarians across the present frontiers could bring Balkan-style tensions to the borders of western Europe and dash hopes of the prosperity which lies tantalisingly around the corner.

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BLAZING TANKER TRIGGERS POLLUTION ALERT

Malaysia may be hit by oil spill

By Kieran Cooke in Kuala Lumpur and Reuters in Singapore

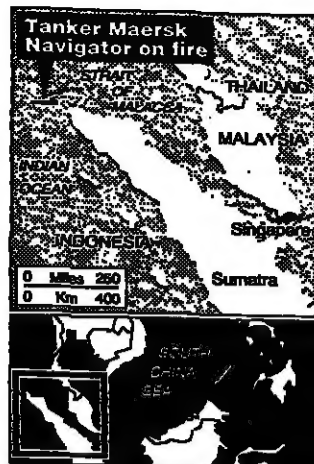
A BLAZING supertanker fully laden with almost 2m barrels of crude started spilling oil into the sea off the northern tip of Sumatra yesterday triggering a regional anti-pollution alert.

Salvage experts were flying to the scene to check the extent of the spillage from the 255,312-tonne Danish owned Maersk Navigator, abandoned by its crew and still drifting after colliding with another tanker.

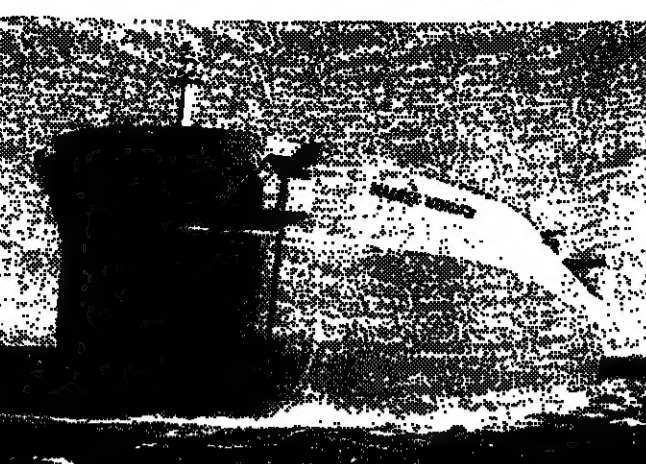
Fire-fighting vessels and tugboats were also on their way from Singapore amid indications that the spilled oil was being driven by winds towards the coast of Malaysia.

The supertanker was carrying about 1.9m barrels of crude from Oman to Japan.

At least one of the super-



Tanker Maersk Navigator on fire. The ship is believed to have escaped with only minor damage.



leaked oil, which was a light crude, would evaporate before hitting the coast, and the environmental impact was therefore likely to be limited.

The smaller ship, the Sanko Anna is believed to have escaped with only minor damage.

The Malaysian authorities have put their coast guards on alert and say the collision once again demonstrated the need for concerted action on navigation problems in the Malacca Straits, one of the world's busiest waterways.

The accident was the second tanker mishap this month. The Braer spewed thousands of tonnes of oil into the sea after running aground in the Shetland Islands off the Scottish coast.

Last September a collision between an oil tanker and a container vessel in the same area resulted in about 13,000 tonnes of oil being spilled.

Turkey rejects Syrian call for water agreement

By John Murray Brown in Ankara

TURKEY has rejected Syrian attempts to renegotiate a six-year-old protocol allocating water from the Euphrates, but sought to reassure Damascus about continued supplies across the common border.

At the end of two days of talks in the Syrian capital with Mr Suleyman Demirel, the Turkish prime minister, Syrian officials again urged Ankara to increase the 500 cubic metres a second it currently guarantees.

Syria claimed Turkey had made an undertaking when the then prime minister Turgut Ozal signed the water protocol in 1987 to seek a more permanent water agreement once Turkey's Ataturk dam is filled.

Syria relies on the river for up to 60 per cent of power generation and much of its farm production. The issue has come to a head as the Ataturk dam has neared completion and Turkey has outlined plans to start irrigating the Harran plain close to the Syrian border in May, diverting more water from the river.

Under Turkey's Gap project, 1.6m hectares is to be irrigated in the Euphrates and Tigris river valleys, a project which has been the major bone of contention between Turkey and its downstream neighbours, Syria and Iraq.

According to one Turkish newspaper, Mr Demirel promised to convene a foreign ministers meeting to settle the issue.

However, diplomats say Turkey is unlikely to concede Syrian demands and instead has offered a variety of joint development projects.

Japan's ruling party wins a royal respite

Charles Leadbeater finds all eyes are on the imperial wedding

THE ruling Liberal Democratic party in Japan has found a highly potent secret weapon to restore its popularity. This addition to its armoury is 164cm tall, 29 years old, speaks five languages, used to be a high flying diplomat and is about to become a Crown Princess.

The media and public fascination with Masako Owada, who this week was officially engaged to Prince Naruhito, the next Emperor,

is unalloyed good news for Mr Kichii Miyazawa, the hard-

pressed prime minister. It is not just that the royal wedding has taken minds off the Tokyo Sagawa Kyubin gangsters, money and politics scandal which dominated the news in the autumn. Japan's royal family still commands great deference as well as exciting gossip. From now until the wedding in June everyone will be on their best behaviour; no one will want to risk the shame of sullying the wedding preparations by putting political dirty linen on the line.

As the Japanese parliament reconvenes today, the government believes the worst may be over. It has survived an autumn of scandal when its popularity plummeted and a vicious power struggle threatened to split the party.

Last month Mr Miyazawa cleared the decks with a cabinet reshuffle which has restored order at the top of the party. The supplementary budget to revive the flagging economy was passed and the government has set up a task force to consider further measures.

The government has weathered the worst of the Sagawa scandal. It is unlikely there will be further significant revelations, the public appetite may be satisfied and Mr Noboru Takeshita, the former prime minister at the heart of the affair, has successfully resisted resignation.

The breakaway LDP faction led by Mr Tsutomu Hata, the former finance minister, will not split the party as once thought. It is burrowing its way into a comfortable position within the established hierarchy.

The rebound stability at the top of the LDP is matched by a clear political timetable for the rest of the year. In February and March, there will be bad economic news. Profits forecasts will be cut, wage talks will yield low rises and the stock market will remain vulnerable to a renewed collapse.

That will be the time for the government to unveil plans for another bumper package to stimulate the economy, with a mix of public works spending and tax cuts. Such a package is already being planned.

By May there will be a political truce to clear the way for the royal wedding which will consume the nation in early June. Then in early July Tokyo will want to present a calm, united front to the outside world when it hosts the G7 summit.

By the time people return from their August holidays the economy should be on the mend, paving the way for Mr Miyazawa to be re-elected in September for a second term as LDP president and prime minister. That should allow the LDP to set the seal on a successful year with a general election victory in the autumn.

At least that is the timetable which the LDP is hoping to keep to. It may not be that

Liberal Democratic party leaders yesterday signalled they stand ready to stimulate the economy with another public spending package early this spring if the economy is still in the doldrums, writes Charles Leadbeater.

A special LDP task force which is considering extra measures to boost the economy is likely to recommend further proposals aimed at stabilising the financial system which is beset by mounting bad debts.

Separately Mr Kabuo Muro, head of the LDP's tax panel, added his weight to business leaders' recent calls for a temporary income tax cut of about ¥6,000bn (\$30bn) to be introduced in the summer.

The economy's weakness was underlined by the 0.5 per cent contraction in the money supply last year with December 1991, the fourth month of contraction, according to figures published by the Bank of Japan.

Japan's money supply expanded by just 0.6 per cent last year, compared with growth of 3.6 per cent in 1991.

The LDP's authority rests upon its record for economic growth. That is facing its greatest challenge for 30 years from an intractable downturn, which could yet prompt the collapse of the fragile stock market. The economy is a long way from recovery; until then the LDP's popular support will be wobbly.

The uncertain international environment could throw up issues which the government will find difficult to resolve. The Clinton administration may take a tougher line over trade, according to comments on Tuesday by Mr Mickey Kantor, the new US trade representative, who said tariffs on minivan imports could rise sharply, there would be a row over the US-Japan semi-conductor agreement if the US share of the Japanese market did not reach 20 per cent and the controversial Super 301 trade sanctions may be reintroduced.

Japan's farmers know the rice market is almost certain to be opened to imports to help secure a GATT deal. However they will want to extract the maximum political price for going along with the government's plans.

The LDP could also face a more effective opposition after Mr Makoto Tanabe's resignation as chairman of the Social Democratic party. The new SDP leadership seems prepared to consider reform of the so-called peace constitution and the international role of Japan's self-defence forces in an effort to modernise the party's image.

Although the Sagawa scandal may have passed its peak, the shadow it has cast over the political system has not lifted. Mr Miyazawa's popularity is yet to recover.

If his ratings are still depressed in the autumn, the party will grow alarmed that he may damage its election chances. That could spark off a power struggle between at least four senior LDP figures to replace him.

After an awful autumn, Japan's political leadership has won a respite. But it may be short-lived and once the secret weapon of the royal marriage is launched into imperial orbit the earthly sense of political crisis may return.

Khmer Rouge rejects accord

By Victor Mallet in Bangkok

KHMER ROUGE guerrillas yesterday rejected last-minute diplomatic efforts to persuade them to adhere to the Cambodian peace accords and take part in elections in May.

Mr Ali Alatas, the Indonesian foreign minister, who has been attempting to mediate a solution to the Cambodian conflict, said that he had failed in a bid to persuade Mr Khieu Samphan, the nominal Khmer Rouge leader, to co-operate with the UN peace-keeping operation.

After talks at the Indonesian embassy in Bangkok, Mr Alatas said he regretted that the Khmer Rouge leader had maintained his view that "his party could not rejoin the process and could not, as of now, participate in the elections."

Political parties must be registered for the polls by the end of this month.

The failure of yesterday's talks means that Cambodia will almost certainly be partitioned after the elections, with the future government controlling most of the country's territory and Khmer Rouge guerrillas holding the rest.

The United Nations and the four Cambodian factions which

signed the peace agreements in Paris in 1991 will therefore have failed in their mission to bring peace and democracy to the whole of Cambodia.

One diplomat said he was concerned that the Cambodian peace accords would suffer the same fate as those for Afghanistan.

"Two years later, everyone is still fighting and they have 1m refugees," he said.

Mr Alatas said he hoped the Khmer Rouge would not actively obstruct the elections. "You can only hope," he said. "But they may very well obstruct."

He added that there was broad agreement among interested parties - except for the Khmer Rouge - that a presidential election should be held about two or three weeks before the general election.

The idea, which is not foreseen in the Paris accords, is to bring Prince Sihanouk to power as president. He could then be as a stabilising force while the newly-elected assembly negotiates a new constitution and takes control of the country from the UN, although some people fear that the prince will adopt dictatorial powers.

Australian railways to sign agreement

By Kevin Brown in Sydney

AUSTRALIA'S railway unions are on the verge of signing a productivity agreement which will release about A\$680m (\$307m) in government funding for modernising rail services.

Mr Martin Ferguson, president of the Australian Council of Trade Unions, said the central elements of the deal were agreed with the National Railways Corporation (NRC) yesterday. The deal requires ratification by the Industrial Relations Commission, the national labour court, but it is expected to pave the way for the creation of an integrated national rail freight system.

Mr Vince Graham, NRC managing director, said "a few issues" remained unsettled, but he hoped the agreement would be completed by the end of this month. The deal will allow the NRC to take control of five separate rail freight systems run by state governments.

Mr Paul Keating, the Labor prime minister, earmarked

A\$680m for railway modernisation in his One Nation economic statement in February last year, which provided A\$2.3bn to stimulate the sluggish economy. However, the funding was contingent on productivity and operating agreements between the unions, the NRC and the state governments which traditionally have resisted integration of the systems which have traditionally sought to maintain the independence of the state systems.

The project looked likely to collapse last year when some state governments tried to extract guarantees on the future of local services. Most disputes have been settled, however, and negotiations have been eased by a cut in the number of rail unions from 30 to two.

About 7,000 jobs are expected to be created mostly through projects such as standardisation of the 490 mile (776km) track between Melbourne and Adelaide and upgrading of terminals and trains.



UN special envoy Chinmaya Gharekhan, in Jerusalem yesterday for talks with Palestinian leaders on the fate of those deported to Lebanon, is greeted by demonstrators protesting at the expulsions.

Israeli debt rating upgraded by Standard and Poor's

By Hugh Carnegie in Jerusalem

STANDARD and Poor's, the international credit rating agency, has upgraded Israel's sovereign debt rating in response to what it views as an improved political outlook in the Middle East, progress in economic reforms and the granting of US loan guarantees to back \$10bn (\$5.45bn) in foreign borrowing.

The move comes as the government is preparing to approach international lenders for funds to be borrowed against the first tranche of the loan guarantees, to help it cover a projected \$2bn current account deficit this year.

The guarantees have encour-

aged the government to plan a spate of infrastructural investment to help the economy cope with mass immigration from the former Soviet Union.

Standard and Poor's said it was upgrading Israel's long-term external debt to triple-B from its previous rating of triple-B minus, the lowest investment grade rating. Its short-term foreign currency rating was likewise raised to A-2 from A-3.

The upgrading puts Israel on a par with countries such as Turkey, Chile and China.

The disappearance of Soviet backing for Israel's Arab foes, the weakening of Iraq and the Middle East peace talks begun in late 1991 all diminished regional tensions, reduced

instability and lessened the economic burden of defence, said Standard and Poor's.

The agency added that progress was still vulnerable to domestic and international upheaval.

Israel's ratio of external debt to GNP has shrunk dramatically in recent years to around 20 per cent.

However, it is set to rise again sharply, increasing the need for strong growth to cover new borrowing.

Standard and Poor's said the US loan guarantees and a trend of liberal economic reform should allow Israel to exploit "enormous long-term economic growth opportunities" presented by immigration.

Rao fails to put the militant Hindu tiger back in its cage

INDIAN Prime Minister P V Narasimha Rao has so far failed to defuse the tensions which have gripped his country since militant Hindus tore down a mosque and unleashed a wave of inter-religious violence.

In the six weeks since the destruction of the Ayodhya mosque, fighting in cities in northern India has exacerbated hatreds between Hindus and Moslems. In the past two weeks in Bombay, 600 people have been killed, more than 100,000 have fled the city, and hundreds of homes, shops and workshops have been razed.

An uneasy peace has been imposed by tens of thousands of police and soldiers, but this week tension still hangs in the air. Offices close early so workers can get home before dark.

Mr Rao has suppressed violence by deploying the security forces, but has largely proved unable to rally support for

defending the ideals of religious harmony on which independent India was founded. Rather, the initiative has been seized by those who seek to profit from exacerbating the conflicts - chiefly the Bharatiya Janata party, the militant Hindu party whose supporters destroyed the Ayodhya mosque.

Mr L K Advani, the BJP leader, wants an immediate general election to capitalise on the passions he has aroused. Mr Bal Thackeray, leader of Shiv Sena, the BJP's Bombay affiliate, warns Moslems that "the Hindu tiger is out of its cage".

Many Hindus are appalled by such hate-filled talk and there has been no shortage of articulate condemnations of Hindu militancy.

The violence has also prompted acts of heroism - in the recent surge in violence in Bombay, numerous Hindus

Stefan Wagstyl on the prime minister's inability to inspire opponents of Hindu extremism after destruction of the Ayodhya mosque

shielded Moslem neighbours. Among them was Sunil Gavaskar, the former national cricket captain, who ran out of his home to save Moslems from a Hindu mob which had surrounded their car.

Also, Indians recognise the economic damage being done by the violence and the uncer-

tainty it generates. Bombay, the nation's commercial capital, will take months to recover, according to leading businessmen in the city.

Some believe confidence will return quickly now that law and order has been re-imposed, but others are not sure. Mr F T Khorakiwala, sheriff of Bombay and owner of a department store group, says: "If the communal discord escalates, Bombay will be worse than Beirut."

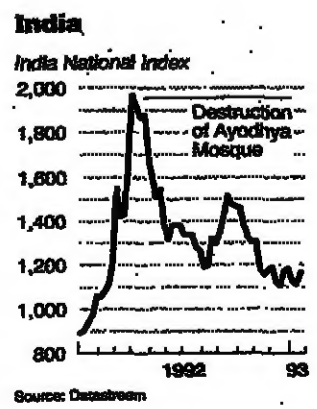
However, the government has failed to capitalise on anti-militant sentiment. Mr Rao says that he will act when the time is ripe. He claims the wide-ranging ministerial reshuffle he completed this week will help strengthen the government. The prime minister's critics, including members of the ruling Congress (I) party, say he has already left it too late to respond to the threat to the nation's stability.

The prime minister himself has contributed to the sense that the government is drifting. Mr Rao is no orator, able to appeal to the population through speeches or television appearances. Nor has he been able to rally his cabinet around an agreed programme.

The one politically brave promise that he made - to rebuild the Ayodhya mosque - seems to have been quietly shelved after it ran into considerable criticism inside the Congress party.

But the prime minister's innate caution does not alone explain the government's inaction. India faces a fundamental challenge which, in the last six weeks, has grown bigger by the day. Like it or not, the BJP commands strong support in northern India, the region with the greatest Hindu-Muslim tensions.

The mosque's destruction certainly alienated some of the



Source: Datastream

119 to 170. Not enough to win power, but enough to vindicate (in narrow political terms) the mosque's destruction.

Another indication of the quiet sympathy many Hindus have for Hindu nationalism is widespread public indifference towards a blatant pro-Hindu and anti-Moslem bias shown by the mainly Hindu police in dealing with the riots.

Congress's failure to mount a strong challenge to the BJP is partly ideological.

The party, which has ruled India for most of the post-independence period, advocates secular nationalism in which all races and creeds are treated equally.

This vision, which had great appeal after independence, has been dulled by time and by the constant jockeying for power by various religious and regional interests.

Moreover, over the past decade, Hindus have been

unsettled by the international rise in Islamic extremism.

The momentum generated by the BJP is not unstoppable. It has little support in south India, where few Moslems live, or in the east, where the left holds sway in West Bengal.

The liberal intelligentsia sees the dangers of the BJP and is not afraid. In newspaper articles, to sound the alarm, even by drawing parallels with Germany and the Nazis.

Moreover, it may prove difficult for the BJP to hold together the forces of Hindu nationalism for a long time - since Hindus are divided by caste and language. If memories of Ayodhya fade, BJP unity may fade too.

However, outside the educated elite, the opponents of militant Hinduism are increasingly afraid to speak out.

They also need inspiration - something Mr Rao has so far failed to provide.

Clinton basks in warm praise

THERE WAS only one unanswered question early on Wednesday evening. Would Bill Clinton play his sax at an inaugural ball? Bryant Gumbel, the host of NBC's Today programme, half hoped he would not, but he was pretty much alone.

The 42nd President of the United States disappointed only Mr Gumbel. He played it at the Arkansas Ball, at the MTV rock n'roll ball, and perhaps at others because he went to 11 of them and got to bed well after two in the morning. He played 'Yo' Mama Don't Dance' and other classics and if he was once a bit off-key, he mostly made his horn wall like there was no tomorrow.

But it was not only for his music that Mr Clinton got good reviews yesterday. After a difficult last two weeks of the transition into office he was able to bask in some pretty warm compliments about his own performance on his inauguration day and the clear messages he had imparted about the direction of his presidency.

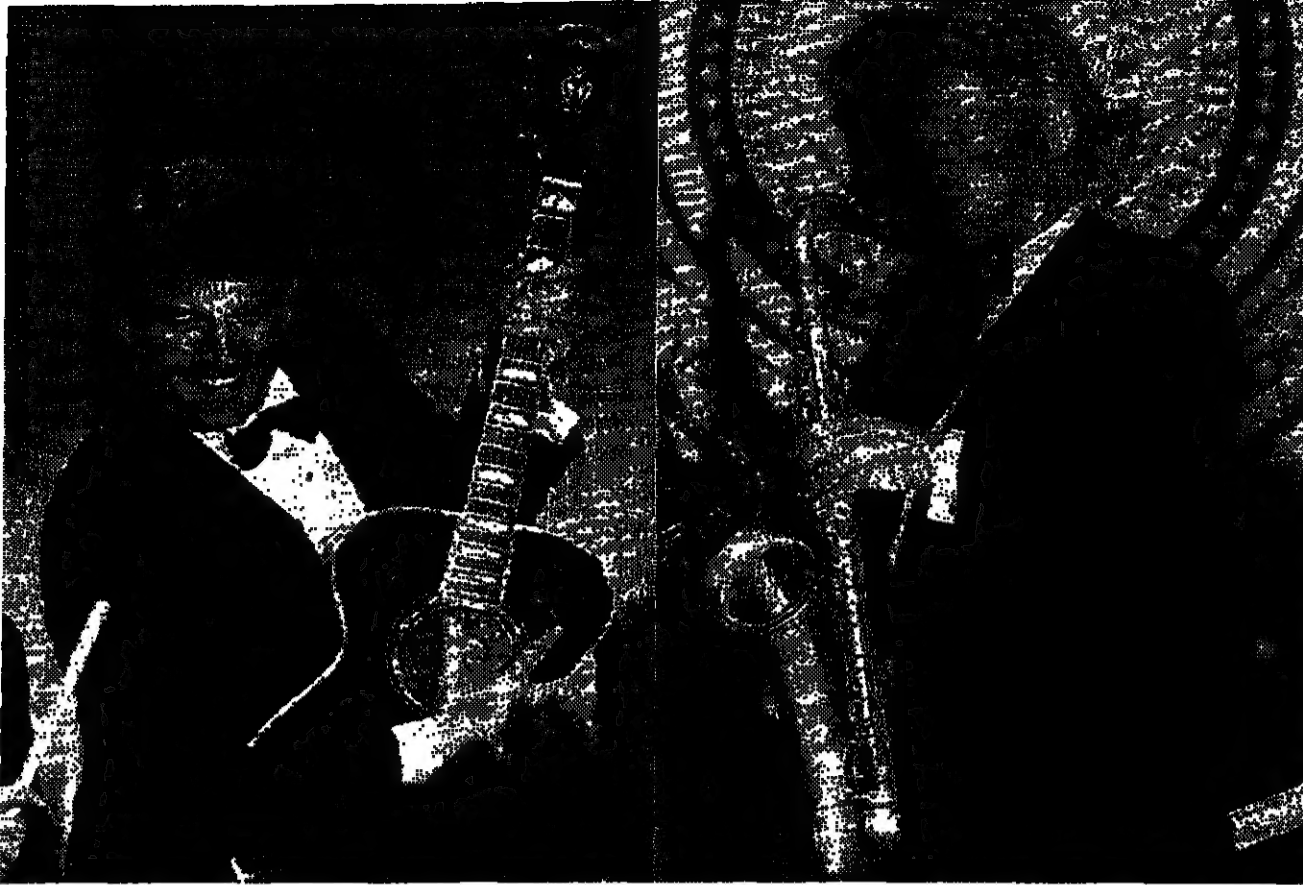
Mr Hendrik Hertzberg, editor of the New Yorker magazine, commented that he seemed "at ease" as president. Mr William Safire, the acerbic and generally conservative New York Times columnist, gave his address a B-plus grade, with good marks for its theme, its use of the seasons as a metaphor, its historical resonance and its brevity.

From its right-wing editorial pulpit the Wall Street Journal was impressed that Mr Clinton had made so much of the importance of both civic and personal responsibility. The more liberal Washington Post concurred.

Even the New York Times, withering in its condemnation of some of Mr Clinton's cabinet choices and still yesterday suspicious of his self-righteousness, headlined its first leader A Dawn Of Promise, and strongly approved his condemnation of Washington as "a place of intrigue and calculation."

The fact that Mr Clinton spoke for only 14 minutes, shorter than all inaugural addresses except Washington's and Lincoln's, indicated, in the opinion of just about every pundit, a welcome discipline in a man previously inclined to rattle on forever.

Jurek Martin reports on real enthusiasm for the inauguration, the speech, poetry and even the sax



Vice-President Al Gore (left) mimics playing the guitar at the Tennessee Ball in the early hours of yesterday morning while President Bill Clinton does the real thing on saxophone at the New York and District of Columbia Ball on inauguration night

The deans of television commentary mostly liked it. Mr John Chancellor, the soon-to-retire NBC veteran, called it "a fine address and blessedly short", while Mr David Brinkley of ABC thought it was "effective". Mr Dan Rather, the often agitated CBS anchorman, huffed that "it didn't have a lot of poetry".

There were conflicting views as to its best line, though the one most often advanced was the sentence: "There is nothing wrong with America that cannot be cured by what is right with America."

Mr Mark Shields, a Democratic consultant and commentator, noted with satisfaction that Mr Clinton had eschewed bureaucratese in his speech.

There was no mention of "entrepreneurial capitalism" or "infrastructure", terms with normally spill out of Mr Clinton's mouth with abandon.

Mr David Gergen, the notionally conservative foil to Mr Shields on one of the TV news programmes, was struck by the consistency between Mr Clinton's address and his campaign themes. Admittedly, Mr Clinton did not talk much of "sacrifice" last year, as he did on Wednesday, but he was otherwise true to the arguments that helped make him president.

Typical of this was his call to the young to engage in community service, a Kennedyesque theme if ever there was one. Mr David Broder, of the Wash-

ington Post, agreed that it was time that "the biggest and in some respects the most coddled generation in American history" take control.

There was also an inclination to forgive the apparent slowness in forming a new administration. Mr RW Apple wrote in the New York Times that such problems "may prove to be transitory, the product of inexperience".

The Washington Post generously re-ran some of its old stories at similar stages in the Carter, Reagan and Bush administrations, all critical of their dilatoriness.

There is, of course, a secular bipartisanship to every inauguration day which allows temporary suspension of many crit-

ical faculties. This did not quite extend to the poetic community, which was divided on the merits of Maya Angelou's poem, On The Pulse Of Morning, composed at Mr Clinton's request for the occasion.

However, this was a nearly novel occasion for poets, unaccustomed to the inaugural limelight since JFK similarly commissioned Robert Frost 32 years ago.

But even the most hardened cynic could not deny that the inauguration was greeted with much spontaneous enthusiasm by huge crowds and that Mr Clinton himself seemed right for the occasion.

That extended to his being the first president to blow the sax on his great day.

Emphasis by Tyson on family poverty

By Michael Prowse
in Washington

THERE were disturbing signs of an erosion of US competitiveness that had "potentially devastating" consequences for ordinary American families, Ms Laura D'Andrea Tyson, President Bill Clinton's choice for the chair of the Council of Economic Advisers, told a Senate confirmation hearing yesterday.

Gross domestic product per capita had grown more slowly in the US in recent years than in any other advanced market economy, she said. The US had also suffered "a decade of worsening inequality."

"Since 1980, the proportion of full-time workers with annual incomes below the poverty rate for a family of four had increased from 12 per cent to nearly 20 per cent."

Ms Tyson's emphasis on weaknesses in US economic performance contrasted sharply with up-beat remarks last week by her predecessor, Mr Michael Boskin, chief economist in the Bush administration. In his final report, he sought to demolish claims that the US was declining economically, relative to other industrial nations.

Ms Tyson said she expected the CEA to be "an integral part of President Clinton's economic team". She responded vigorously to criticism of her nomination from some prominent US economists.

As an academic, she had "chosen to study the real world determinants of national economic competitiveness rather than abstract mathematical models." She would bring to the council "an informed and intuitive sense of how economic policy actually affects people's lives."

On free trade, she said she supported agreements such as the recent pact by the US, Canada and Mexico, but believed more had to be done to soften the adverse impact on some workers. Free trade brought net benefits but these "had to be spread more evenly."

Brazil's fiscal reform boosted by new tax

By Christine Lamb
in Rio de Janeiro

THE Brazilian government has won a partial victory in its battle to implement fiscal reform, with Congressional approval of a new tax on financial transactions.

After much negotiation, the House of Representatives voted by 358-24 late on Wednesday to introduce the 0.25 per cent tax on all financial transactions, including cheques. The government estimates this will generate \$7.2bn in extra revenue.

Mr Henrique Hargreaves, the president's chief of staff, said: "This means we can now progress with our programme of economic stabilisation and social investment."

Economy ministry officials said yesterday they were confident that the new tax, with a recently approved withholding tax on financial gains, will enable them to plug the \$13bn hole in this year's budget and

show some progress to the International Monetary Fund at negotiations next month.

The real deficit is thought to be much greater than shown by government figures, and the reform so far consists of increasing taxes rather than sweeping structural changes, but the new tax is regarded as a crucial step on the road to reducing inflation, predicted at 27.5 per cent this month.

Approval of the new tax was won through centre-left co-operation. In return, the government had to drop two proposed new taxes on fuel and corporate assets, and to abandon proposed authorisation for the economy ministry to lift banking secrecy and to set up special tribunals to crack down on evaders. It also had to agree to devote more of the new revenue to social programmes.

The new tax requires another House vote, a Senate vote and an enabling act for implementation this year.

Beatrice foods chief dies aged 50

MR REGINALD LEWIS, who died on Wednesday of a cerebral haemorrhage aged 50, was one of America's richest men, and its most prominent black businessman, writes Laurie Morse in New York.

The majority owner and chief executive of TLC Beatrice International Holdings, he was a resident of Manhattan and Paris, and a 1968 graduate of Harvard Law School.

Mr Lewis acquired Beatrice for \$1bn in 1987, via a remarkable buy-out, after a career as a corporate lawyer, financier, and take-over artist. Since then, he was an active manager of the company, selling less profitable operations and concentrating profit centres in Europe.

TLC Beatrice operates food companies in 18 countries, and

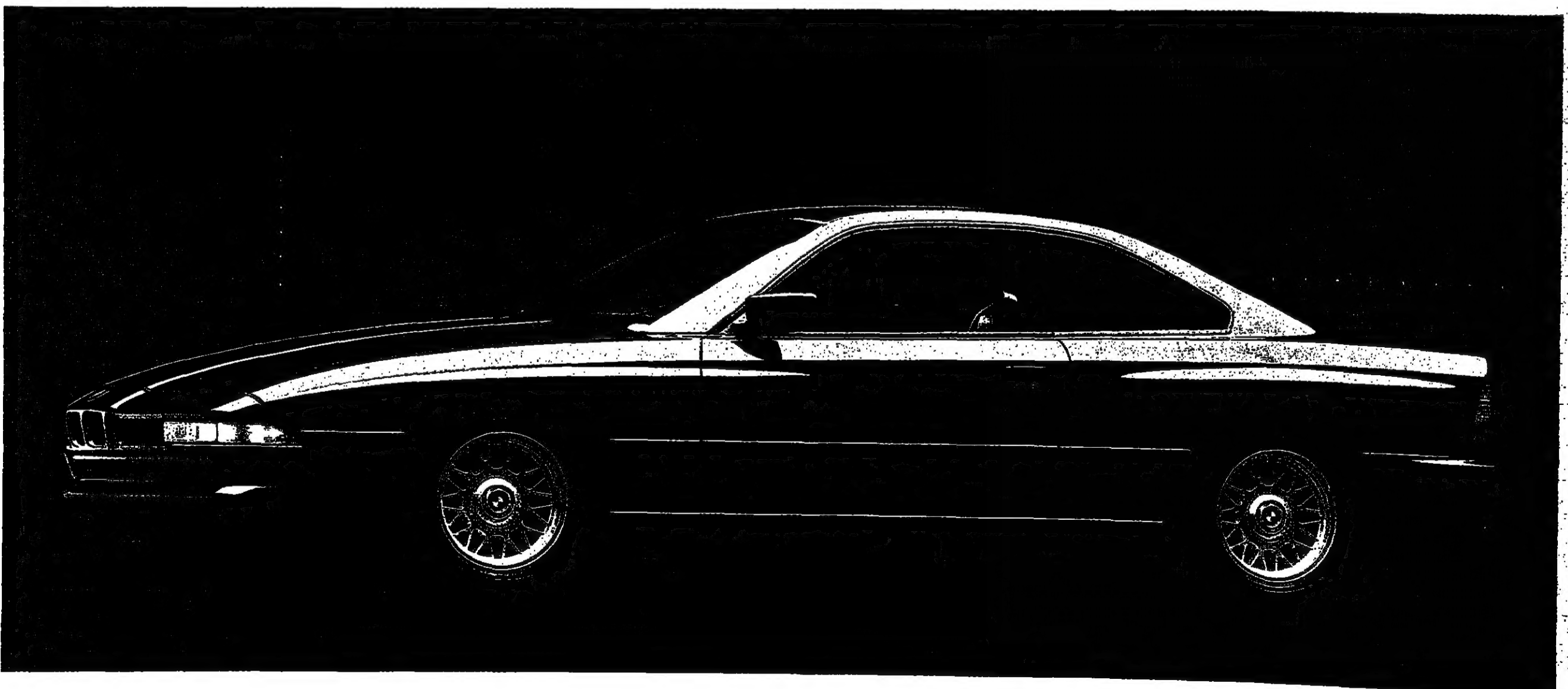
had 1991 sales of \$1.54bn and operating income of \$115m. Mr Lewis and his family had control of 51 per cent of the stock. The remainder is closely held.

The Beatrice buy-out was built on a smaller take-over success. In 1983, after years of providing legal advice in similar transactions, Mr Lewis purchased the ailing McCall Pattern Company from Chicago-based Esmark for \$22.5m in a leveraged buy-out.

He contributed \$1m in personal savings to the deal. Four years later, he sold the revamped company to the John Crowther Group of Britain for \$63m, reaping a personal gain of \$60m.

His experience with McCall and an alliance with Drexel Burnham Lambert led to the TLC Beatrice deal in 1987.

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Former Soviet republics try to avert trade collapse

By Leyla Boulton in Minsk

A SPECIAL bank to save trade from collapsing among former Soviet republics is the most pressing item on the agenda of today's CIS summit, but it is feared the plan will fail for lack of Russian support.

The proposed Inter-State Bank would act as a multilateral clearing house for inter-republican trade, with sanctions for republics which exceed agreed levels of indebtedness. It also provides for co-ordinated monetary, credit, and budgetary policy as an additional option for those republics which decide to keep the rouble as their currency. The government of Russia, which has a trade surplus with virtually every

republic, has undertaken to provide Rb200bn to finance the bank.

However, Mr Stanislav Bogdankevich, central bank governor in Belarus, the republic hosting the summit, said he feared Russia would "drag out the issue" because of disagreements between the Russian central bank and the government, and a reluctance to bankroll republics which "will all owe it money".

The dilemma of Belarus, provides a stark illustration of what is at stake in a continuing collapse of trade between republics whose economies remain highly interdependent. One of the main problems has been the demise of a common currency as republics have either introduced their own currencies or continued to

use the rouble without co-ordinating monetary and credit policy.

By unilaterally switching trade to a "bilateral clearing basis" to prevent republics from issuing roubles unbacked by goods, Moscow has made it impossible for Belarus and others to pay for Russian energy imports with anything other than roubles earned from exports to Russian enterprises.

More than 80 per cent of Belarusian industrial output has traditionally been exported to other republics. Unlike, for example, Kazakhstan, which can export raw materials further afield for its currency, Belarus is 100 per cent dependent on cheap Russian energy supplies to run the manufacturing

industry which is its main source of revenue. Even if a clearing system were established, it would still be unable to afford world prices for energy imports.

This is why Belarusian leaders firmly believe the country's future depends on close co-operation with Russia. "If Belarus were to pay world prices for energy it would cost it 2.5 times its hard currency export earnings," agrees a diplomat at one of the newly-established foreign embassies which are the most tangible signs of the republic's reluctantly acquired independence.

A central problem is that unlike Belarus, most republics do not want to trade some of their newly-won sovereignty - ceding some control

over monetary and credit policy to Russia in order to maintain the rouble as a common currency. Attempts over the past couple of years to establish a central banking union to co-ordinate monetary policy has faltered because of most republics' insistence on one vote per republic. Russia wants voting proportional to each republic's economic clout.

The uncertainty has also provided Belarus with an excuse to freeze negotiations with the International Monetary Fund for a reform programme to stabilise the country's finances and begin restructuring the economy. In the absence of reforms, production has fallen just 10 per cent instead of 25 per cent in Russia, and inexplicably its budget deficit has

been smaller at just 5 per cent of gross domestic product last year. But inflation remains high at more than 1,000 per cent last year and the republic adopted a law on privatisation only three days ago.

"The IMF has given us an ultimatum: either we find an agreement with Russia or we get out [of the rouble zone] and introduce our own currency," says Mr Bogdankevich. "We are not ready to decide either way yet: we are making a final attempt to come to an arrangement with Russia."

One solution would be for the west to provide finance for an inter-state bank, just like the US financed a settlement system in post-war Europe.

US takes world lead in chip technology

By Louise Kehoe in San Francisco

SEMATECH, the US government- and industry-backed semiconductor consortium, has demonstrated world-leading chip production technology using all-American process equipment.

US semiconductor production equipment makers have increased their share of the world market from a low of 43.9 per cent in 1980 to an estimated 53.4 per cent in 1992, according to VLSI Research, a US market research firm. Sematech's 10 member companies as well as other US semiconductor manufacturers will now have access to the consortium's technology.

"The achievement represents the accomplishment of Sematech's primary goal, set when the consortium was formed five years ago. 'When Sematech was created in 1987, we made a commitment to re-establish the US semiconductor industry at the forefront of world manufacturing,'" said Mr Bill George, chief operating officer.

To do that, Sematech has produced demonstration chips with feature sizes of just 0.35 microns. Such chips contain electronic devices so small that 73,500 of them in a row would measure just one inch long. The most advanced chips currently in production have feature sizes of about 0.6 microns.

"By achieving this technology with all-US tools, we have enhanced America's ability to compete in world markets - with exciting prospects for increased US market share..." Mr George said.

Chips with 0.35 micron device widths are seen as the foundation for a new generation of electronics products ranging from talking computers to pocket-sized personal communicators. Linked to global networks, desktop computers as powerful as today's multi-million dollar supercomputers and intelligent vehicles equipped with chips that control everything from fuel mixture to the suspension.

Contract for Greek power plant

By Kerin Hope in Athens

DEH, Greece's public power corporation, has awarded a Dr82bn (£256.5m) contract to build a lignite-fired power plant in northern Greece to an international consortium led by Ansaldo, the Italian engineering company.

Ansaldo's bid for the turnkey project was considerably lower than the Dr80bn offer submitted by GEO-Alsthom, the Anglo-French group. It was also below DEH's own estimate of around Dr85bn.

The project will be financed through funds from the public investment budget, and some foreign borrowing.

It is likely to be the last Greek power station financed by DEH, a state-owned enterprise burdened with some \$2.5bn in foreign currency debts. Other power projects currently being negotiated are to be carried out under a build-operate-transfer (BOT) system, which the government is keen to develop.

The other members of the Ansaldo consortium are Waagner Biro of Austria and Aegae, a Greek engineering company.

A third bid from a Russian-Serbian consortium was not opened because of a United Nations embargo on doing business with Serbia, the official said.

Untried hands reach for global levers

David Dodwell assesses trade talks as time for agreement runs short

NOT for the first time in the past six years, the plight of the Uruguay Round of talks on world trade liberalisation lies in inexperienced hands.

Different this time, however, are the sheer number of untried hands - chief trade negotiators for both the European Community and the US have come into office within the past three weeks - and the very limited time for them to learn the ropes.

Critical decisions which might grasp belated success, or damn the Uruguay Round to inconclusive and damaging drift, will be made within the next month. Mr Arthur Dunkel, director-general of the General Agreement on Tariffs and Trade (GATT), said: "We are critically short of time. We must conclude now, or risk drifting into the sands."

Officials in Geneva, who have overseen the past three months of progress towards an agreement that could add \$300bn a year to world trade by the end of the century, were adamant this week that a settlement was within reach.

Sir Leon Brittan, the EC's new trade commissioner, appears to agree. He plans top-level meetings for the next 10 days in Washington, Geneva, and at the Davos summit, aimed at an agreement. "Every week we don't have an agreement costs the world dear

in money and jobs," he said early this week.

But it is unclear that the new US administration shares this view - nor is there confidence in Washington that agreement is within grasp. Part of the problem is uncertainty over future US trade policies or priorities.

Confusion has been compounded by the fact that Mr Mickey Kantor, the new US trade representative, was among the last officials appointed by President Bill Clinton. He remains in learning mode.

None of Mr Kantor's deputies has yet been chosen, nor is it clear whether his authority will be unchallenged as "Mr Trade". Other senior members of the Clinton administration have indicated a close interest in trade policy. Lobbyists point out that Mrs Carla Hills, Mr Kantor's predecessor, took two years to stamp her authority on the brief.

There is doubt over the priority being given by Mr Clinton to trade policy. He is strongly committed to put domestic political and economic issues first. It is uncertain what space there will be for the Uruguay Round in his programme for the first 100 days - particularly in that politicians and lobbyists abound in Washington who say the Bush administration had made unacceptable concessions,

which should neither be endorsed nor extended.

Even if trade attracts attention, completion of the North American Free Trade Agreement may take precedence, along with bilateral US trade relations with China and Japan, and sectoral issues such as trade in steel, motor vehicles, and timber.

According to Mr Gary Hufbauer, at the Institute for International Economics in Washington, the critical question is: "Will Mr Clinton allow the Uruguay Round to atrophy on his watch without one last try?" He argues that doing nothing "is a decision in its own right - a strong decision for drift" - and he predicts that there is very little time for the administration to pause. The president's "fast-track" author-

ity to present a take-it-or-leave-it trade package to Congress expires in March.

Whether or not Mr Clinton opts for "one last try" may depend on briefings from leading Bush trade negotiators such as Mr Jules Katz, Mr Warren Lavorel and Mr Rufus Yerxa, all temporarily in place until Mr Kantor's deputies have been chosen.

Officials in Geneva remain convinced a success is possible. They say the settlement in December of the EC-US dispute over reform of farm trade, and progress made in the past six weeks on trade in services, and in tariff cuts on manufactured exports, have greatly reduced outstanding disputes.

"Countries clearly have the flexibility to do the deal, but they won't show their hands

Air France in Euro Disney deal

EURO DISNEY, the theme park east of Paris, said yesterday that it had appointed Air France as its sole official airline and would not be renewing contracts with British Airways, Aer Lingus, Lufthansa and Alitalia, Michael Skapinker reports.

Euro Disney said that after a year of operation it had decided to abandon its practice of having a preferred airline in each of its main European markets. It said it wanted Air France to represent it throughout Europe. Earlier this month Euro Disney had announced that Mr Robert Fitzpatrick was resigning as chairman to make way for Mr Philippe Bourguignon, a Frenchman.

The four airlines whose contracts are not being renewed were "preferred travel partners", which meant that they were permitted to use Euro Disney promotional material and logos in their advertising.

Euro Disney said its decision to drop British Airways was not related to controversy surrounding the UK carrier's "dirty tricks" campaign against Virgin Atlantic.

Air France will become Euro Disney's preferred carrier immediately throughout Europe, except for the UK, Ireland, Germany and Italy, where it will assume the role from the beginning of April.

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NEWS: UK

Lloyd's losses forecast to reach £2.5bn

By Richard Lapper

LLOYD'S of London will report losses of at least £2.5bn over the next two years, according to a gloomy forecast released yesterday by Chatset, the research company which monitors developments at the international insurance market.

The projections for 1990 and 1991 results are significantly worse than earlier forecasts and would bring cumulative losses at the market in the four years to 1991 to more than £5bn, putting further strain on the market's capital base, provided by 20,000 individuals or Names.

More than 10,000 Names have left Lloyd's since 1990, while attempts by loss-making Names to obtain compensation have led to a tangle of legal actions, with attendant publicity denting the market's image and reputation.

Chatset said losses for 1990, which Lloyd's will report in June in line with its three-year accounting system, will amount to £1.64bn, compared with earlier estimates of £1.15bn.

The market will still be heavily in the red in 1991, with a deficit of at least £1bn.

Worse still, Chatset said its early figures indicate 1992 "looks like another loss-making year", partially because of claims of more than \$1bn from hurricane Andrew, which devastated parts of Louisiana and Florida in August.

"Names will have to wait for

1993 possibly to make a profit and 1996 to receive once again a cheque from Lloyd's," said Mr John Rew, co-editor of Chatset.

Explaining the figures, Mr Rew said many syndicates were still receiving claims from so-called "spiral" reinsurance business - in which Lloyd's syndicates and companies reinsure each other against catastrophe losses - from losses in 1989 such as hurricane Hugo and the European storms of January 1990.

Losses were also arising from asbestos and pollution claims in the US, many of them on policies underwritten up to 30 years ago.

The deficit also demonstrated that Lloyd's syndicates had been selling insurance too cheaply in spite of increasing rates during 1991. The market's "premium base was inadequate to meet the volume of claims," said Mr Rew.

The projections could stir controversy among underwriters and agents at the market, who last year accused Chatset of "alarmism" when it presented a similar set of estimates.

When the 1989 result was announced in June, however, it emerged that Chatset's projections had actually underestimated the size of the loss.

"Last year we were accused of living in cloud cuckoo land - I really wish we were," said Mr Rew, who accused Lloyd's of talking up prospects for future profits.

Major rejects calls for independent Bank

By Philip Stephens, Political Editor

THE NEW governor of the Bank of England is to be told by Mr John Major that he has rejected calls to reinforce the government's anti-inflation strategy by granting the Bank independence.

The appointment of a replacement for Mr Robin Leigh-Pemberton will be announced within the next two weeks. He will take the post on the understanding that there is no question in the foreseeable future of the Treasury ceding control of monetary policy.

Downing Street refused last night to comment on when precisely the new appointee will be named. The most likely date is after the prime minister returns at the end of next week from a trip to India. But officials hinted Mr Major had already made his choice and an announcement could be earlier. Favourites for the job are Mr Eddie George, the deputy

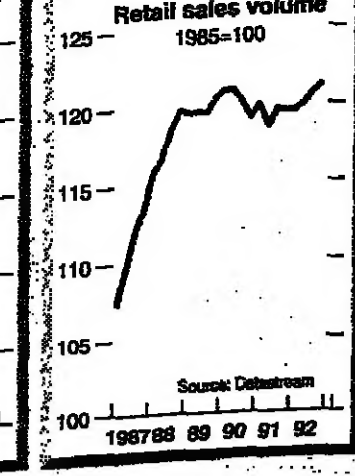
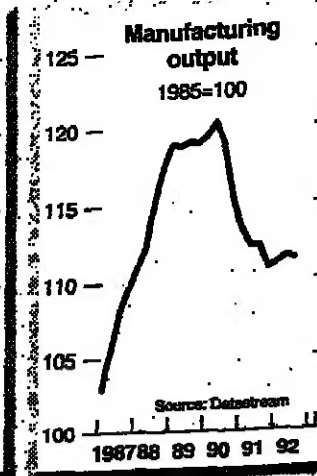
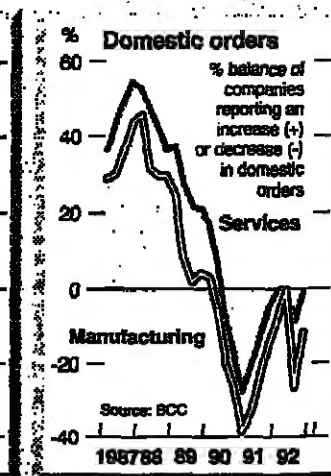
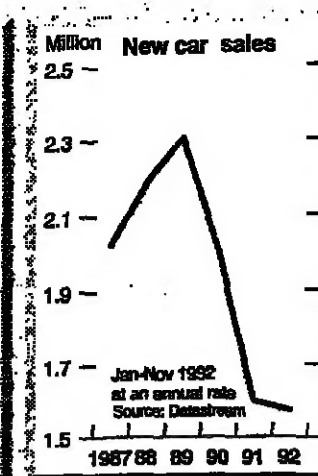
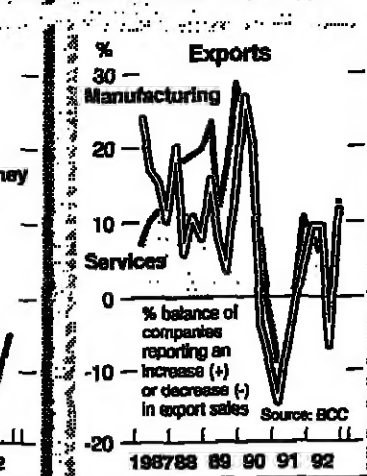
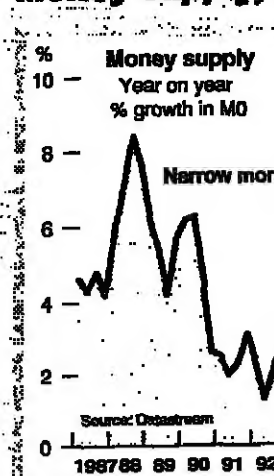
governor, Mr David Scholey, the chairman of Warburgs and Mr David Walker, the chairman-elect of Lloyd's.

The decision to rule out independence for the bank will disappoint those in the City of London and at Westminster who saw it as a mechanism to underpin anti-inflation policy in the wake of sterling's exit from the Exchange Rate Mechanism.

Mr Major has made it clear that there is no prospect of Britain rejoining the ERM this year and that even in the medium-term it may prove difficult to re-link sterling to the mark. The commitment in the Maastricht treaty to an independent bank would apply only in the distant event that sterling became part of a single currency.

Mr Major has decided that the political sensitivities of interest rate changes are too great to transfer responsibility to a body not accountable to MPs at the House of Commons.

Money supply, exports and car sales improve . . .



Treasury panel divided on extent of the gloom

Gavin Davies, chief UK economist, Goldman Sachs

The European recession is starting to drag down the UK. Unless Britain has markedly lower interest rates soon, there may be no recovery. The chancellor should also act to combat long-term unemployment.

Patrick Minford, professor of economics, Liverpool University

Mr Lamont's view that an economic recovery is starting has been blown out of the water. We need an aggressive programme of lower interest rates to stimulate demand. Yesterday's figures confirm my worst fears.

David Currie, head of economic forecasting, London Business School

The signs about an upturn have become far more patchy. The chances of a cut in interest rates soon are now higher than they were. But these latest figures do not alter my view that we will see a recovery over the next 12 months.

Andrew Britton, director, Nat Institute of Economic and Social Research

Yesterday's figures apply to the fourth quarter of last year. No one was expecting them to be very strong, though I would have liked them to be better. I still think there will be a significant recovery over the next 12 months.

Wynne Godley, professor of applied economics, Cambridge University

Hopes of any real recovery in demand are going to be continually disappointed. There may be some rise in economic activity but not enough to stop unemployment from increasing further and not enough to bring it down.

Tim Congdon, managing director, Lombard Street Research

A full recovery requires not just a return to growth but the achievement of several quarters of above-trend growth. The evidence is that this will not happen in the near future. Meanwhile, the European economy is deteriorating.

Andrew Sentance, head of economics, Confederation of British Industry

Mr Lamont would be fully justified in cutting 1 percentage point off base rates. We have to be very cautious about prospects for a recovery, with the economy in the first half of 1993 likely to be pretty flat.

UK average earnings rise slowly

By Emma Tucker

AVERAGE earnings rose by an underlying 5 per cent in the year to November, slightly below the October figure, which was revised upwards to 5.26 per cent.

This was the smallest increase in earnings since the current series started in 1980, but the Department of Employment said the figures were lower in the 1980s.

The slowdown in the rise of average earnings reflected lower pay settlements agreed around the end of last year. November settlements included 3.6 per cent at Rover, the car manufacturer, compared with 7.5 per cent the previous year.

In manufacturing the underlying increase in average weekly earnings in the year to November was 5.75 per cent, unchanged on the previous month. The increase in service sector earnings slowed to 5 per cent in the year to November from 5.25 per cent in the year to October.

Productivity - output per head - in manufacturing rose 5.4 per cent in the three months to November compared with the same period a year earlier. This was the sharpest increase since June 1989 and reflected heavy manufacturing job losses. Slowing wage growth and rising productivity caused manufacturing unit wage costs - wages and salaries per unit of output - to drop 0.3 per cent month-on-month in November.

Jobless may be key indicator of recovery

By Peter Norman, Economics Editor

OFFICIAL figures released yesterday showing an increase of 60,000 in Britain's jobless could turn unemployment, traditionally a lagging indicator of economic activity, into an important pointer to future policy and trends.

Last month's seasonally adjusted jobless rise was higher than the 55,900 increase of January last year, which, when announced, was the main constituent of a "black Thursday" of dire data that rattled confidence of the Conservative government.

Concern at the December

jobless increase centres on fears that it will deal a potentially lethal blow to business and consumer confidence just as these indicators were beginning to hint at recovery.

The Treasury said the jump in unemployment did not suggest economic activity was still falling. Officials said it was typical of an economy emerging from recession.

But the view among City economists was that the jobless figures together with November's decline in industrial production may risk a downward spiral of declining confidence and activity that could halt a recovery.

The monthly rise in unem-

ployment accelerated markedly in the final quarter of last year and there are signs that it could continue at a high level.

Ms Sally Wilkinson, an economist at Morgan Grenfell, the investment bank, said a notable aspect of the jobless figures was that "no-one was coming off the register" suggesting demand for labour is weak.

The December figures could be a sign that many of the people who lost their jobs last year are only now beginning to claim unemployment benefit.

Yesterday's news, following this week's disappointing retail sales figures for December, prompted a reappraisal in the City of the government's next

economic policy moves. Last weekend, Mr Norman Lamont, the chancellor, indicated that he would not rush to cut bank base rates from 7 per cent, largely because he has limited scope to keep underlying inflation in the government's 1 to 4 per cent band.

The 24.6 point jump in the FTSE-100 index yesterday showed the City is looking for an early base rate cut of at least one percentage point, followed perhaps by a further cut to 5 per cent later in the year.

The bleak news about the real economy will also have a bearing on the discussions in the Treasury and Number 10 Downing Street about the

March budget. A further batch of poor figures in a month's time would make it difficult for the government to contemplate a tax raising budget in March to curb Britain's growing public sector deficit.

Without an improvement in the economy, Mr Lamont could face a dilemma. Speculation about lower interest rates depressed sterling yesterday.

In a worst case scenario, the chancellor could find himself having to judge the respective merits of an interest rate rise to curb inflation and a cut in rates to boost the economy.

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Exports point to growth

By Peter Norman

THE BRITISH economy is still in recession but started to show signs of returning to growth last month, according to the latest quarterly survey by the British Chambers of Commerce.

The survey, carried out between December 1 and December 18, found that manufacturing industries' UK orders and deliveries were still falling, although at a slower rate. Mr Richard Brann, the BCC's director of policy, said the service sector seemed on the point of growing again.

Export sales for manufacturers and for service companies were at their highest for two and a half years, reflecting a good response to the increased competitiveness provided by sterling's devaluation. Higher export order books pointed to

"modest and seemingly sustainable growth."

But the chambers voiced "extreme concern" about the state of the UK domestic market - with the exception of a negligible growth in the second quarter of 1992, manufacturers have not seen growth since the beginning of 1990 and are still forecasting further decline as we start 1993.

The report said: "The need to foster domestic economic recovery remains strong." The good news in the survey - the strongest rise in manufacturers' export performance since the BCC surveys began in 1985 and improved business confidence - was offset by a continued high loss of jobs.

The poll of 9,061 companies employing more than 1.2m points to further redundancies this year. The percentage of manufac-

turers planning to reduce their workforces in the current quarter exceeded by 19 per cent the portion planning an increase.

Among service companies, the portion planning to reduce staff levels exceeded those planning staff increases by 9 percentage points.

Capacity utilisation remains low. The percentage of manufacturers working at full capacity crept up to 30 per cent in the final quarter of last year from 17 per cent in the previous three months while full capacity working in the service sector was barely changed at 19 per cent, up from 18 per cent.

As a result, employers have no incentive to take on staff or increase investment. A marginal increase in investment in plant and machinery varied widely across the regions.

November output declines by 0.5%

By Emma Tucker

A POOR performance by the car industry and a drop in metals production were behind a 0.5 per cent fall in manufacturing output in November compared with the previous month.

The drop followed a 0.1 per cent rise in October and altered the flat trend in manufacturing output since the start of last year. The Central Statistical Office estimates that output is falling at an annual rate of about 1.5 per cent.

The output of the energy industries was sharply higher in November. Production of oil and gas from the North Sea rose 9 per cent in the three months to November compared with the previous three

months. Water supply industries' output rose 3.5 per cent.

The three-month on three-month trend in manufacturing showed a 0.5 per cent fall in the period to the end of November. Compared with the same period the year before output was 0.1 per cent lower.

The CSO said most of the fall in manufacturing output between October and November was due to a 6 per cent month-on-month drop in the production of motor vehicles. There was also a sharp fall in the output of the metals industry. Steel companies in particular responded to weak demand by cutting production.

Other industries where output fell included mechanical engineering and minerals and mineral products.

Britain in brief



Complex rail sell-off raises red tape fear

The government's railway privatisation bill to be published today threatens to create a jungle of bureaucracy for private sector operators hoping to enter the rail business. Every company seeking to take any part in the running of the railway - whether as a

train operator, station lessor or depot owner - will be required to obtain a licence from the Rail Regulator.

The long and complex Railways Bill, consisting of 131 clauses and 11 schedules in its final draft, paves the way for the duties of the British Railways Board to be divided and passed on to a plethora of new and existing bodies.

Informal talks on Ulster

Sir Patrick Mayhew, Northern Ireland secretary, has begun informal consultations with local political parties about the resumption of talks on the province's future. He is to meet Mr Dick Spring, the Irish foreign minister, in Dublin today.

Public sector pay criticised

The Industrial Society has strongly criticised the government's 1.5 per cent pay limit for the public sector describing it as unfair and likely to backfire.

Mrs Rhianon Chapman, director of the independent advisory and training organisation, says in an article published today that the 1.5 per cent pay norm was "introduced in a manner guaranteed to provoke a hostile reaction from those who could plausibly see themselves as its victims".

Tabloid editor remains defiant

Britain's most famous tabloid newspaper editor, Mr Kelvin MacKenzie of The Sun, emerged defiant after a two-hour encounter with the national heritage committee investigating privacy and media intrusion.

Mr MacKenzie told the committee chaired by Mr Gerald Kaufman, Labour MP for Manchester Gorton, that the press was better behaved now than at any time he could remember, adding: "There has never been a time when the press is liked by the sort of people who sit on a committee like this."

The editor, who admitted to misdemeanours in the past, said: "We only publish the truth now and you can't do better than that."

Science and Finance Union (MSF) - over its future strategy and political direction.

Today the increasingly bitter wrangling could lead to the dismissal of Mr Jack Carr, the union's assistant general secretary. He was suspended just before Christmas by Mr Roger Lyons, the MSF's general secretary, accused of gross misconduct in handling of the union's finances.

Mr Carr is appealing against the decision today before a panel of the union's executive. Mr Carr said Mr Lyons's action was the "start of a political cleansing of the union" and other MSF officials were facing discrimination.

Investors opt for summaries

Most shareholders prefer using summary financial statements rather than a company's full annual report, says the Institute of Chartered Accountants in England and Wales.

But the Department of Trade and Industry should make the regulations on reports more flexible so they are still easier to read, its financial reporting committee - which commissioned the survey - recommends. For most companies offering summary statements, holders opted for them in preference to the annual report, the survey shows. Users of accounts prefer summaries because they are less intimidating than full reports and more likely to be read, it says.

Ferry service

P&O European Ferries plans to start a twice-weekly service between Portsmouth and Bilbao, in northern Spain, from April 28, in competition with the Brittany Ferries Plymouth-Santander service.

British Gas cuts 1,240 jobs in £30m rationalisation

By Deborah Hargreaves

BRITISH Gas is cutting 1,240 jobs from its headquarters staff as part of a rationalisation programme that will save £30m a year. The company also announced that it will freeze salaries this year for board members, although performance-related bonuses will not be affected.

The moves to sharpen the focus of its corporate centre come amid continuing cost pressures on British Gas as it faces increasing competition in the industrial market. But Mr Cedric Brown, British Gas's chief executive emphasised yesterday it was also a positive move to make management more effective and efficient.

The company said it plans to meet the job cuts from voluntary redundancies over the next five months and will put a freeze on external recruitment. British Gas will also slim its corporate centre by moving research and technology functions to its new research station at Loughborough and contracting out many of its engineering construction functions.

"We want the corporate centre to focus closely on the company's strategic direction and devolve responsibility to the business units to manage their own affairs," said Mr Brown. British Gas comprises three business units: the UK gas business; exploration and production; and global gas.

The rationalisation programme will cost around £70m and the company expects this to pay for itself within 18 months to two years. Headquarters staff based in London will be trimmed back to 460

MPs attack pit closure 'mistakes'

The government and British Coal were heavily criticised yesterday over the pit closures programme as a cross-party committee of MPs called for all 31 mines to stay open until there had been consultation on the economic, industrial and social consequences for the nation and communities.

Mr Michael Heseltine, trade and industry secretary, came under fire for his secrecy in talks with BC in the run-up to the pit closures announcement for allegedly failing to consult with the employment department and for misjudging public opinion. Mr Greville Janner, committee chairman and Labour MP, said BC had made "monstrous mistakes not to comply with the law".

Separately, Mr Karel Van Miert, the EC's new competition commissioner, confirmed he might give Britain the flexibility to grant subsidies to the coal industry until 1995, but stressed that negotiations had not yet begun.

from the current level of 3,700 staff.

The company will concentrate research and technology in Loughborough with the closure of two research stations in London and one in Solihull. Research and technology staff will be reduced by around 500 from 1,600.

In addition, its engineering construction personnel will be cut by about 500 from today's level of 1,300. The remainder of the redundancies will be met from support staff throughout the corporate headquarters.

MPs attack pit closure 'mistakes'

In a further development, two pit unions called off a High Court hearing after claiming British Coal had stepped back from threats to reduce redundancy payments to miners after the end of this month.

Mr Janner's comments about BC's mistakes were rejected by Mr Neil Clark, British Coal chairman, who said it was impossible to go through the normal consultation process for pit closures - the issue caused the High Court to rule the law had been broken - without affecting redundancy payments.

The committee said: "The true national costs should be taken into account especially when large scale redundancies are to be created in a publicly owned industry such as coal."

The Department of Trade and Industry said it would consider the committee's report before publishing its white paper on energy, scheduled for next month.

The company says its "generous" redundancy package guarantees a minimum of 26 weeks' pay for all who leave. British Gas is involved in pay negotiations with its industrial workers which could see its staff being awarded a pay rise while board directors see their pay frozen this year.

British Gas is discussing with the Monopolies and Mergers Commission the creation of a market for trading peak loads of gas as a way of maintaining cheap prices for big industrial energy-users.

Olde village finds home in Japan

By Andrew Taylor, Construction Correspondent

JAPANESE businessmen attending a language school 90 miles north-west of Tokyo are to get a touch of Olde England. A reproduction Elizabethan village complete with pub, bowling green and village hall is to be shipped in pieces from Britain and re-assembled in Shirakawa.

Boarder Oak Design & Construction, a family owned Herefordshire company, has won a £4.1m contract from the Sano Educational Foundation to construct the village which will house up to 400 students. Ten oak-beamed houses, each an exact replica of a small Tudor manor house, must be built to withstand earthquakes and hurricanes.

Mr John Greene, Boarder Oak's managing director, said: "The idea is to encourage students not only to speak English but to feel English." The development on 60 acres will include two time barns a 350ft long brick and flint manor house, formal gardens, Roman baths and ornamental lake.

About 1,000 commercially grown English oak trees, up to 26 years old, have been felled for the project by Henry Venables of Stafford which was involved in the re-building of York Minster, destroyed in a fire in 1984.

Mr Greene said that the shells of the houses and the public house would be assembled in Stafford before being dismantled and shipped in 130 containers to Japan.

The first house should arrive at Shirakawa at the end of March.

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Over the past year, the collapse of the secretive, super-centralised Soviet state has opened up previously undreamed-of opportunities for western businessmen to bypass Moscow and deal direct with new decision-makers in the far-flung provinces.

At the same time, decentralisation, and the emergence of 15 separate states from the wreckage of the old union has raised the cost and complexity of doing business. Long-established western companies, used to the dreary but endless discussions with bureaucrats in smoke-filled rooms in Moscow, have opened representative offices in new capitals such as Kiev, Tashkent and Alma Ata.

For some, the trek in search of new business has taken them to military-industrial plants which two years ago did not officially exist and appeared on no maps. Such was the fate, for example, of Amersham International, the privatised UK-based "health science company" which last year set up a joint venture with Mayak, a company owned by the Russian Ministry of Atomic Energy and Industry, to market radioactive isotopes. These were produced at Chelyabinsk-65, a former top secret military plant in the Ural region.

Amersham's experience in setting up the joint venture with Mayak and dealing directly with the local authorities and newly empowered managements in the Ural was instrumental in its subsequent decision to become a core member of the recently formed British Health Care Consortium.

The consortium, an effort to take a co-ordinated "Great Britain PLC" approach to tackling the challenges and opportunities of the post-Soviet market, groups together some of the UK's top pharmaceutical, health-care and related industries under the chairmanship of Sir Ronald McIntosh, former director-general of the National Economic Development Council.

The founder members of the consortium are Glaxo, the Wellcome Foundation, ICI, Amersham International, Smiths Industries Medical Systems and Conder Projects, a specialist in medical construction.

The consortium enjoys technical support from the counter-trade department of the London-based Moscow Narodny Bank and close ties with the UK Department of Health.

Last month, after visits to its base in Yekaterinburg as well as Chelyabinsk, Ufa and Izhevsk the consortium and Uralsat, its Russian partner, finalised a \$36m (£24m) agreement under which BHCC companies will design, build and equip hospitals and clinics.

Selective British projects outside Moscow

| |
|---|
| Yekaterinburg |
| British Health Care Consortium: Glaxo, Wellcome Foundation, ICI, Amersham International, Smiths Industries, Conder Projects |
| Kiev |
| British Food Consortium |
| Karachaganak |
| British Gas (Multi-billion dollar exploration project) |
| Chelyabinsk |
| Amersham International (Joint venture with former Soviet defence group) |
| Alma Ata |
| First joint UK-German embassy |



Business in the back of beyond

Communism's collapse has created profitable chances to bypass Moscow, writes Anthony Robinson

The consortium, drawing on the example of the UK's national health system, will also help reorganise health care provision in a region blighted by decades of ecological neglect, heavily polluting industrial development and the Soviet disregard for public welfare.

The deal will be financed from the proceeds of the export of aluminium and other products formerly used largely for arms production. The green light came after the first \$2m flowed into an escrow account at MNB, which after a recent radical restructuring concentrates on services for exporters and investors.

With honourable exceptions, UK companies have been slower than other European companies to get involved in the former communist countries. BHCC offers "piggy-back" access for smaller UK companies in what is expected to be a developing, long-term market in the Ural and eventually other regions with similar needs.

"The consortium itself is not a non-profit organisation and is not an exclusive club. We are willing to associate with any UK company,

provided there is no conflict with the core members," says Sir Ronald.

The groundwork for future expansion follows months of frequent visits to Yekaterinburg, building on political support for the project from Russian president Boris Yeltsin, who was the Communist party boss when the city was called Sverdlovsk.

"The important thing in deals like this is to make sure that you are dealing with reliable people and that the supply of goods required to finance the operation is authorised from the top. All these requirements are met in this case. Aluminium and other products for export are flowing from the Ural to St Petersburg, money is flowing into the escrow account, and a solid basis has been laid for serious business," says Bill Newman of MNB.

The collapse of the old Communist party structures has been followed by the restoration of the former tsarist system of regional and provincial governors appointed by Moscow to act as the central government's eyes and ears in the provinces. Building good relations with

the local authorities is crucial to the success of deals involving public services such as health.

"The future of Russia could well be decided at the local and micro-level. It is now possible to do business directly with the movers and shakers in areas like the Ural, which is far from Moscow but has a population of around 25m and growing access to hard currency," Sir Ronald adds.

The importance of close ties with local authorities and enterprises is equally important in areas such as food where UK companies have set up a similar consortium in Ukraine.

"Improving food supply and healthcare are the keys to raising morale and productivity, not just in the Ural but throughout the former Soviet Union. The hunt for food and the need to take care of sick children and relatives are the main causes of absenteeism. Separately, the UK food and health consortia tackle both these key areas head on," says Bruce Beharrell, who heads Amersham International's Russian operations and is a key figure in the BHCC consortium.

Christopher Lorenz

Flying in the face of corporate ethics



BUSINESS school teachers of ethics are an understated bunch. They have to be, otherwise sceptical managers would be even less open to their message: that ethical behaviour is not a burden but a boon to a company's reputation and competitiveness.

Yet, on both sides of the Atlantic, the academics' reaction this week to the unfolding implications of British Airways' "dirty tricks" campaign against Virgin Atlantic has ranged from disappointment to surprise, tinged with a touch of enthusiasm.

"Disappointment that a company in such a leadership position should feel the need to use these tactics," was the reaction of one American academic. "Surprise that a company which has invested so much in building a reputation for trusting its staff and caring for its customers should risk that by engaging in such misconduct," was the comment of another. Their only enthusiasm was at a juicy new research "case" on ethics.

The academics are almost unanimous that the judgment of BA's senior management has not merely been called into question, but that the top is heavily to blame for the affair, regardless of BA's attempted exoneration of its chairman and chief executive.

For the members of an organisation to know the difference between acceptable and unacceptable behaviour - which is more than just a matter of knowing the law - the lead has to be set consistently from the top, the academics argue. In the absence of clear indications that particular actions are unacceptable, managers will tend to try to second-guess the top, and act in a way which they think their bosses will approve. As several UK academics suggest, this is especially likely if, as at BA, the head of the organisation has a reputation for muscularity.

Surprising though it may seem, behaviour towards competitors - other than anti-trust collusion with them - is one of the least

developed areas of the developing discipline of business ethics.

Because of the field's roots in religion and moral philosophy, its growth during the "corporate social responsibility" fashion of the 1970s, and the impetus it has been given by the financial scandals of the 1980s, most research and teaching has concentrated on relations between companies and their most obvious "stakeholders".

As a result, the vast majority of business ethics literature deals with individual behaviour towards office colleagues and subordinates, and with corporate attitudes to insider trading, to customers (including bribery and product safety), to the local community, to health, safety and the environment, and to political issues such as South Africa.



For the members of an organisation to know the difference between acceptable and unacceptable behaviour, the lead has to be set consistently from the top

Only recently have relations with suppliers bounced on to the agenda, though more in Europe than the US. Apart from anti-trust considerations, competitor relations - ranging from information-gathering to the way one talks to customers about one's rivals - has rarely been a mainstay.

The same blind spot applies to companies. "Very few corporations have addressed the ethics of behaviour towards competitors," says one of few academics to specialise in the field, Lynn Paine, a professor at Harvard Business School. An analysis she made of the content of American corporate codes of conduct showed that fewer than two dozen out of 480 companies gave any real guidance to employees on methods of gathering competitive intelligence.

As a model, Paine and others cite three pages on competitive behaviour taken from a statement of "standards of business conduct" circulated widely within Hewlett-Packard, the successful - and reputedly ultra-ethical - US electronics multinational.

These contrast starkly with BA's alleged behaviour. They include, among other things, a carefully-defined ban on the use of "improper" means to obtain competitive information, and a rule that any statements about competitors "must be fair, factual and complete".

Paine's course on "information, power and responsibility" teaches, among other things, that companies which tell their managers and employees to trust each other, and to tell the truth, should consider the probable internal impact of behaving in a very different fashion when they deal with competitors. "One likes to think one can put these things into boxes, but I'd question whether one can do so," says Paine.

She also teaches that, in order to improve the products, services and profits of their industry, "companies should consider what is healthy competition, not just whether one is straying across a legal boundary. The avoidance of wrongdoing is not enough".

Contrary to the way critics paint them, few teachers of business ethics are naive. Most accept that, just as acceptable behaviour varies between countries, it does by industry, according to the impact within that industry of each practice. Standards of acceptability differ, for instance, over the way companies promote their products, gather competitive information and poach key employees. But as one academic said this week: "There are limits - and they're not just the law."

The same applies to the moot question of whether certain anti-competitor tactics are only acceptable in takeover battles, or when a small company is attacking a near-dominant one. Academics are at one that a respectable Goliath should never use underhand tactics to attack a David, no matter what the circumstances.

BUSINESSES FOR SALE

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For further information please contact Mr D Miles Middleton, Joint Administrative Receiver, Coopers & Lybrand, Haddon House, Higham Place, Newcastle Upon Tyne, NE1 8BP.
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TECHNOLOGY

Boost for Aids drugs

Shares in Wellcome, the UK drugs group marketing Retrovir, presently the principal therapy for Aids and HIV-positive patients, jumped sharply last week on reports of a positive trial for the treatment.

The trial, conducted by the US-based National Institutes of Health and the University of California, compared Wellcome's Retrovir, also called AZT, with Bristol Myers Squibb's didanosine, also known as ddI, in HIV-positive patients with advanced disease.

Details of the study showed that AZT was more effective in slowing the progress of Aids among patients who had not previously used the drug. The trial ran from October 1989 until May 1992 and involved 617 HIV-infected patients.

Among 380 sufferers who had not taken AZT before, 18 per cent developed a new, previously undiagnosed Aids-defining condition or died within a year. That compared with 31 per cent on a ddI dose of 750mg, and 29 per cent on a 500mg dose.

However, for those who had used AZT for eight to 16 weeks previously, ddI proved more effective. For this group, 33 per cent on AZT developed a new Aids-defining condition or died within a year, compared with 11 per cent on 500mg of ddI and 17 per cent on 750mg.

Aids-defining events included yeast infections of the mouth, unexplained fever or diarrhoea, recurrent herpes outbreaks and the loss of weight.

The two drugs had mixed side-effect profiles, according to the study. Those on AZT were more likely than those on ddI to suffer lowered blood cell counts. Those on a 750mg dose of ddI were more likely to develop pancreatitis than those on a 500mg dose or AZT.

The investigators made no recommendation about changing current therapy. AZT remains the front-line treatment. However, the trial does show that combination therapy will play an increasingly critical role in the management of HIV-related disease.

This year, the US Food and Drug Administration recommended a third anti-viral agent, Roche's ddC, but only in combination with other agents such as AZT and ddI.

Paul Abrahams

Cranking up the biggest technology project to hit the City since Big Bang was never going to be easy. Taurus, the long-awaited paperless settlement system that is meant to make it cheaper and safer to deal in the London stock market, is several weeks into testing.

Like an electronic octopus, its tentacles have begun to spread around the City, reaching out towards the 280 or so financial institutions which will eventually be linked into the system.

The process is likely to be a protracted one. This week, the institutions which will be tied electronically to Taurus - registrars, brokers, market makers, custodians, large investors - were told that the testing will last until at least the end of this year. This pushes back the live date for the project by another six months to the spring of 1994.

Each delay - there have been several since Taurus' first aborted target date of October 1990 - puts up the costs for London's securities industry.

The official cost/benefit analysis for Taurus, produced by the London Stock Exchange several years ago, looks increasingly out of date as delays add to the development costs of brokers and others, as well as the Exchange itself.

The cost to the Exchange was last put at about £20m, though the latest delay will push it higher. Each delay also pushes further away the day when stamp duty - the 0.5 per cent turnover tax on stock market trading - is finally abolished, adding a further cost to all investors.

The sheer scale and complexity of the project accounts for the latest lengthening of the timetable. It has been urged on the Stock Exchange by participants in the system, who wanted more time for testing before the system was brought into operation.

As John Watson, the Exchange's Taurus project director, warned when testing began last autumn: "We're not just implementing one system in one organisation. There's still a huge undertaking we have ahead of us."

Taurus is being introduced in three phases, with each phase subjected to three separate test cycles. The first phase - the part of the software which deals with the basic settlement function, involving the exchange of stock for cash - was delivered last autumn, together with the communications package which had taken far longer to develop than expected.

The second and third elements are due this spring. The most complex part of the system will be the last to arrive. Known as the benefits package, this deals with situations

Richard Waters on the progress of the London Stock Exchange's paperless settlement system

Taurus the octopus



like takeovers, rights issues and other events which affect shareholders' rights and benefits.

Mike Jones, a director of Capel Cure Myers, a nationwide private client stockbroker, says that the element dealing with benefits is likely to be the most difficult to implement. "They account for about 30 per cent of the code, and 80 per cent of the problems in any stockbroking

package."

Each part of the Taurus system is first put through "entry testing". This involves financial institutions hooking up to the central computer and putting their own systems through their paces on a simulation package. In the second stage - known as participant testing - the Stock Exchange's own system swings into operation, interacting

directly with other participants.

This second stage was reached this week, the first big test for the Exchange's own development work. Stage three of the tests has been urged on the Exchange by Taurus participants. They felt that it was not enough to interact individually with the Exchange through their own electronic link, but wanted to make sure that all the pieces of the jigsaw fitted into place: in other words, if one broker instructed the central computer to send shares to another, would the second broker actually receive them on time?

This extra phase of testing, known as "many-to-many testing", will involve groups of participants banding together and conducting trials between themselves, through the central computer, to make sure all the pieces fit together.

It is this many-to-many phase of the final part of the system, the benefits package, that accounts for the latest delay.

A single test cycle will take several weeks: events like rights issues and takeovers work to specific time-tables, allowing time for investors to receive information and make decisions about whether or not to accept an offer. A series of these test cycles is expected to take up the last four or five months of the year.

This latest delay is causing less unease around the City than previous setbacks. Putting the system through its paces was always expected to be a convoluted process, and there is general support for the Stock Exchange's measured approach. "They have given themselves a more realistic timing," says Alison Remison, in charge of Taurus development at Barclays.

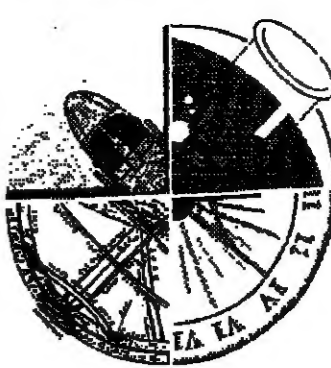
The extension of the testing timetable has come at a sensitive moment, though. With the main season for corporate annual general meetings about to get under way, the Stock Exchange had hoped to persuade more companies to pass the necessary changes to their articles of association to allow them to scrap their share certificates and move on to Taurus.

Despite a steady trickle of companies taking this step over the past year, most have delayed, preferring to hold off until Taurus finally seems a reality.

The latest news could take the sense of urgency out of the project, encouraging companies to put off the amendment until next year's AGM. That could push up the cost of Taurus still further.

During its first months, the new electronic settlement system will run in parallel to the existing paper-based arrangements. The duplication will add to costs for registrars, brokers and the exchange itself, warns Watson.

Worth Watching · Della Bradshaw



Wiggins: UK, 0522 681212.

Projecting latest TV advances

Television addicts are in for a treat. They can now watch the latest TV programmes on a 100-inch screen using projection television technology developed by Sharp in Japan.

The XV-710P projector has a short focal length which enables the lens to project a 60-inch picture from just two metres away or a 30-inch picture from just one metre.

Videorecorders, laser disc players, camcorders or video games consoles can also be plugged into the back of the projector. It weighs 4.3kg and retails for £1,799.99. Sharp: Japan, 06 621 1221; UK, 061 205 4258.

Key to increasing security control

Those who hanker for the traditional in a high-tech world will be grateful that Chubb, the security company, has introduced an access control system that does away with the fingerprint, the retina scan and the plastic card. Instead, it uses a key.

It is not an ordinary key, however. Embedded in the tip of each one is a uniquely coded microchip containing information about the key holder. Only if the key has been programmed into the memory of the lock, which incorporates a tiny computer, will the key open the door. Chubb: UK, 0902 455440.

Shall we shadow the President?

Many a viewer must have watched the inauguration of Bill Clinton as president of the US and thought they could do a better job. Now they have the chance if they own an IBM PC.

DC True, of Evanston, Illinois, has developed the Shadow President software package which enables the player to promote human rights, help third world countries structure their economies or even drop nuclear bombs. Distributed in Europe by Entertainment International, of Basildon, Shadow President costs £44.95. DC True: US, 708 886 1864. Entertainment International: UK, 0288 541126.

PEOPLE

Ralph resurfaces at Glynwed

Bruce Ralph, chief executive of Dowty until its acquisition by TI Group last year, is to join diversified UK engineering group Glynwed International.

A former student in the Harrow mergers and acquisitions school, Ralph, 53, has been appointed managing director and chief executive designate. He will be responsible for a reorganised management structure, overseeing six new operating divisions.

Ralph joined Dowty in 1983 and became deputy chief executive beneath Tony Thatcher

in 1985. Following a shake-up in the board triggered by Dowty's debilitating move into information technology and mobile communications, Ralph became chief executive in 1991.

He then began to try to sell the IT division but Dowty's profits and defences continued to suffer. Unable to make the disposal at a price that would not damage the balance sheet, Dowty fell prey to TI less than a year after Ralph assumed the top job.

During the TI bid, however,

Ralph was not able to distance himself entirely from decisions taken by his previous boss. TI claimed that as a member of the Dowty board he was on watch when the decision was taken to diversify from Dowty's core aerospace and polymer business.

Since the takeover, TI has retained Ralph in a consultancy role. That position will end just before he begins with Glynwed on February 1.

Gareth Davies had combined the posts of chairman and chief executive at Glynwed.



Invesco lets in Tose

Philip Tose, chairman of Hong Kong-based Peregrine Investments, has finally won a seat on the board of Invesco MIM, the UK fund managers in which he has built a 24.7 per cent stake, but the new executive director joins at a time of considerable upheaval within the group.

Charles Brady took over as chief executive last August, with a brief to institute a more conservative investment and management style in the wake of the Maxwell and Drayton Consolidated fiascos.

But since then, Nicholas Johnson, who was in charge of all the non-American business, has quit, and there is under-stand to be a good deal of unhappiness on the Far Eastern team.

Brady has made a great success of his Atlanta, Georgia-based operation, but has yet to convince the rest of the group that he can manage to turn around the UK and sustain and develop the Far Eastern operations.

While Tose might have expected his stake to warrant two seats on the board, he has had to agree to just one, and to

the two-year standstill agreement that he will not increase his shareholding or have any real say in the management - even if he is technically being consulted on Far Eastern matters.

Peregrine, which has blossomed since Tose and another former Vickers man, Francis Leung, struck out on their own at the beginning of 1989, currently has shareholders funds of around £25m.

A shrewd man of few words, Tose is renowned for the high-level connections he has cultivated in both Hong Kong and mainland China.

Most significantly he is close to Li Ka-shing, one of the colony's richest men, for whom he acted when he was at Vickers de Costa and who was a big backer of Peregrine from the start.

Tose, 47, whose father was a senior partner at Vickers de Costa in London, first went on to Hong Kong for Vickers in 1972.

He was soon running the Hong Kong operation, in which position he stayed until four years after Citicorp acquired the broker.

John Bowdler has been appointed finance director of TARMAC Quarry Products in succession to Peter Davenport who retires in June; he joins the board together with George Cliffe, md of Tarmac Roadstone Eastern.

John Graves, md of Tarmac Roadstone Central, and Malcolm Whittle, md of Tarmac Roadstone Southern, Glyn Cartwright, previously sales director at IG Linets, has been appointed sales director of Tarmac Roofing Systems.

Kevin Johnson, formerly operations director of John Hine, has been appointed md of SPRING RAM's kitchen products subsidiary, Next Dimension.

John Gibson, formerly md of Grand Metropolitan's Peter's Savoury Products Group, has been appointed md of UNIGATE DAIRIES.

Charles Koppelman has been promoted to chairman and ceo of EMI Records Group, North America; Joe Smith is leaving when his contract expires at the end of March.

FT Lunch for a Fiver.

Two for a Tenner.

On Saturday January 9 the Financial Times announced the introduction of the "FT Lunch for a Fiver" with over 130 restaurants participating nationwide.

On weekdays from Monday January 18 until Friday January 22, the Financial Times will be offering a lunch for a fiver (three courses, including starter, main course and pudding) at 12.30pm. The "FT Lunch for a Fiver" is available at 130 restaurants nationwide. The list of participating restaurants is available on the Financial Times website at <http://www.ft.com> and in the Financial Times magazine.

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| Bistro 190, 189 Queen's Gate, London SW7 | Tel: 071 581 5886 | Turner's, 87-89 Walton Street, London SW3 | Tel: 071 584 6711 |
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| Cibo, 119 Sydney Street, London SW3 | Tel: 071 352 2718 | Café Rouge, 300 Kings Road, London SW3 | Tel: 071 352 2226 |
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In tomorrow's Weekend FT there will be a complete list of participating restaurants

On Friday January 22, the Financial Times will be offering a lunch for a fiver (three courses, including starter, main course and pudding) at 12.30pm. The "FT Lunch for a Fiver" is available at 130 restaurants nationwide. The list of participating restaurants is available on the Financial Times website at <http://www.ft.com> and in the Financial Times magazine.

QUESTION 10: Vital in a famous World War I battle?

ANSWER 10:

Answer this question, together with 9 others published during the competition period, and send them, together with a completed entry form to "FT Lunch for a Fiver", Number One Southwark Bridge, London SE1 9HL, to arrive no later than Friday February 12 1993. The prize draw will be made on Monday February 15 1993. The sender of the first correct entry drawn after the closing date, from all the entries received, will be declared the winner. Full details of the competition and previous questions are available from the Marketing Department of the Financial Times at the address given above, or on Tel: 071 873 3670.

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

Truth in mosaic

Susan Moore examines the influence of Tuscany on John Ruskin

Fervour and desperation are evident in equal measure at the Accademia Italiana's *Ruskin and Tuscany*. Looking around the show's rich mixture of Ruskin sketches and watercolours, studies, his notebooks and letters, the edifying architectural daguerreotypes, the sepia photographs and the careful watercolours he commissioned from others, we have an acute sense of a bedazzled mind in overdrive.

There was not a fragment of masonry, sculpture, fresco – or even plant – that failed to engage his attention. "I am perpetually torn to bits by conflicting demands on me," he wrote to his father in 1845. In Lucca he gloried in "church fronts charged with heavenly sculpture and inlaid with whole histories in marble", but in such a parous state of decay that he felt obliged to record them. At the Camposanto in Pisa he found that "everything architectural is tumbling to pieces, and everything artistic is fading away". Only rarely was there time to linger beyond the most cursory of drawings. "Fragments of everything from a Cupola to a Cart-wheel," lamented his father, "all true – truth itself but Truth in mosaic."

The name of John Ruskin is more frequently associated with Venice, the Alps and the French cathedral towns than with Florence, Lucca, Pisa and Siena. Yet Ruskin was to make seven tours to Tuscany between 1840 and 1882. As the recent research of Jeanne Clegg and Paul Tucker reveals, his understanding of Tuscan art and culture was to play a central role in the development of his thought. For Ruskin, Tuscany was the cradle of modern civilisation, the meeting place of North and South, Greek and Gothic, Christian and infidel.

Whether in his writing or in his lectures, he constantly raised the spectre of early Renaissance Tuscany. Giotto's Campanile in Flor-

ence was "the model and mirror of perfect architecture", its carved panels, as he saw it, testimony to the sacredness of labour. Jacopo della Quercia's tomb of Ilaria del Carretto in the Duomo at Lucca became his ideal of Christian sculpture – a sacred portrait of infinite peace. (His passion for this cool beauty was woven inextricably in his own mind with his devotion to the ill-fated young Rose La Touche, who quite sensibly spurned him.)

To illustrate the point that "Beautiful art can only be produced by people who have beautiful things around them," he would collect a romantic Pre-Raphaelite vision of medieval Pisa to contrast with the squalor of suburban Rochdale.

Tuscany was also a place of revelation. His 1845 trip, for instance, was conceived solely to come to grips with the religious art of the early Italian masters for the second volume of *Modern Painters*. Struck dumb with admiration and amazement in the Romanesque nave of San Frediano in Lucca, he was inspired "there and then on an instant" to embark on a life-long study of architecture.

The lion's share of the material on display was conceived or purchased for educational purposes. It is a dense show on a complex and maddeningly self-contradictory subject, but show and scholarly catalogue repay close attention. The only pity is that we cannot hear more of Ruskin's eloquent prose.

His protégé Edward Burne-Jones is represented by a slim offering, a watercolour copy of a fresco in Santa Croce. John Whariton Bunney, a former pupil, proved more helpful, producing reams of painstaking architectural drawings and watercolours. The American Henry Roderick Newman is revealed to be a master of the art of reproducing porphyry and marble.

Ruskin's determination to document the region's rapidly disappearing heritage never abated, and



The South Door of the Duomo, Florence, by Henry Roderick Newman, 1881

his last years saw him encouraging others to take up the cause. In 1886, for example, T.M. Rooke, a salaried copier for the Guild of St George, was instructed to work "chiefly on things perishing". Ruskin made his last Tuscan tour the same year, accompanied by H.G. Collingwood, a former pupil, at Old haunts were re-visited and further dilapidations

deplored. Florence disgusted the ill and weary Ruskin more than ever: "Everywhere pavements, masonry, ruin – degradation – folly and noise and" – a problem only too familiar to any later tourist – "the wretched Germans, English and Yankees busy upon it like dung-flies."

Ruskin in Tuscany, sponsored by The Guild of St George with support from the Henry Moore Foundation, continues at the Accademia Italiana, London, until February 7. It travels to the Ruskin Gallery, Sheffield, February 20-April 10, and to the Fondazione Ragghianti, Lucca, May 1-June 13.

Theatre/Alastair Macaulay

The Hypochondriac

Few great artists have relied so much upon formula as Molière. True, when he made a play like *The Misanthrope*, he created a protagonist and a dilemma that are still startling. But in many other plays he gave us age-old plots that circle around such archetypes as the miserly old pantaloon, the two young lovers whose love is thwarted by the older generation, the quack doctor, and so on. We seem to have known these characters all our lives, and yet Molière's implisness is such that we hang both on the suspense of the old plot and on the fun of the detail that makes it new.

Cambridge Theatre Company's new production of *The Hypochondriac* has Gerard Murphy both as translator and playing the title role. Here he is, self-mollified in shawls and kerchiefs, savouring his doctors' pills (for "a full, penetrating, colic irrigation... a cathartic douche, to dispel Sir's wind"); I laugh all the more to recall that this time last year I was watching him as Oedipus, heroic, noble and shattered. As Argan, he looks like a fretful old pug. Occasionally he applies too much virtuosity of breathcontrol and vocal colour, but his nervous force is the production's lynchpin.

His translation catches the lively banter of Molière's prose. A pity that he translates "bagatelles" as "bullshit." "Foul" language blunts the fun of Argan's fascination with his own bowels. ("Have I excreted much blit?" he asks tenderly.) Mur-

phy's version also, audaciously, includes the play's musical prologue, interludes and finale, and brings them off, if not with musical finesse, at least with comic panache.

Although the director, Nick Philippot, had to leave the production in the last week of rehearsals "for personal reasons," the company gives him full credit. As it stands, this *Hypochondriac* has plenty of energy, and its audience is kept laughing aloud from first to last. Some problems arise in having seven actors play all the roles in a play that already has characters appearing in disguise; and when Demon Shaw (a tall man) appears as Argan's little daughter Louison things tip over briefly into the wrong kind of buffoonery.

As the maid Toinette, Kathy Burke is not your traditional pert chit, but a loud, broad Eastender with vowels that could bat for England. She never steps out of character, and she becomes the production's second cornerstone. Debra Gillett and James Dreyfus, as Argan's daughter Angelique and her lover Cléante, steer a suave path between sincere ardour and mischievous exaggeration. The way that he, when pretending to be her singing-master, hurls veiled hints of his vexation at her family comes close to *Family Ties* extremism, but is irresistibly funny. Moggie Douglas's designs combine economy, stylishness and satire.

On tour until March 6

Ballet/Clement Crisp

Homage to Tchaikovsky

Nothing that I have seen thus far during the Bolshoy's season at the Albert Hall persuades me that ballet is anything like itself when served up to audiences on the vast platter of the present stage. Not that dancing cannot "work" under these surroundings: the Japanese musicians and dancers of the Gagaku troupe, and Merce Cunningham's Prom appearance a few years ago, showed how engrossing and absolutely communicative dance can be in this arena. But neither of these troupes was proscribed: Cunningham has ever professed freedom of visual choice for his public; Gagaku is court ritual and meant to be seen in the round.

Classical choreography, though, is an art in which the creator is centrally concerned with what his audience must see. Making ballet implies an editorial function, stressing incident or step so that the audience is given maximum access to the creator's intentions. (It is a serious problem in television and film: how can the director seek to show what they think important, which runs counter to the logic of the dance itself. A series of hectic films of Balanchine ballets, made in Germany in the 1960s, are testimony to directorial arrogance, and exorcising as records of the choreography.)

The Bolshoy's *Homage to Tchaikovsky* programme, which I saw on Wednesday, comprises acts from the composer's three ballets. The stage

conditions made them seem ceremonies rather than performances, from which one might pick out certain fascinating elements. I have already reported on the *Nutcracker* – with some regret, since the charm of Yuri Grigorovich's staging evaporates into the hall.

The *Sleeping Beauty* suite offered the last act diversissements preceded by the peasant waltz, and the effect was as if Petipa's (and Tchaikovsky's) essence had been mas-

If nothing else, it is clear from this season at the Albert Hall that the Bolshoy has a new generation of gifted young men

sively diluted. The fairy-tale characters came disconsolately on like the first guests at a costume ball – funeral tempi adopted for the Bluebirds made this lovely duet seem exhausted – while Aurora and her Prince (Nadezhda Gracheva and Andrey Uvarov) looked as if they were plighting their troth on Salisbury Plain. My interest was held, though, by Uvarov; even under these circumstances, he is a remarkably fine dancer. Tall, possessed of a strong and elegant technique, he is a true *premier danseur classique* – rarest of beings – with

that largeness and harmony of style that only Russian training can give. We have much to expect from him. As also from Nikolay Tsitskaridze, who soared through the pretty waltz that tells the story of Cinderella and her prince. Tsitskaridze's dance is fluent, with beautiful physical manners bringing lustre to the simplest academic step. It is clear from this season, whatever else may be unclear, that the Bolshoy has a new generation of gifted young men: Sergey Filin and Yuri Klevtsov are also noteworthy talents.

The second act of *Swan Lake*, which completed the evening, became a plotless and damn near abstract ballet. It was handsome to look at. The Bolshoy women excite our admiration by the grace of their training, and the lines of swans were impeccable. Nina Semizorova was a cool and academically admirable Odette. The effect of so much white costume and of a pallid back-cloth, of the faint shadows cast on the stage, was anaemic. I thought of other, grandly moving Bolshoy *Swan Lakes* – with Plisetskaya and Bessmertnova, with Semizorova, and in a priceless film fragment with the legendary Semizorova (still coaching, and in London with the company), and I wanted to see the Bolshoy Ballet in *Swan Lake* rather than this dutiful visit to the dear departed's grave.

The Bolshoy Ballet continues at the Royal Albert Hall until Feb 14. Programmes change daily.

Concerts/Andrew Clements

Boulez conducts in Birmingham

There can be no better confirmation of the arrival of the City of Birmingham Symphony in the top international flight than Pierre Boulez's acceptance of an invitation to conduct the orchestra. For Simon Rattle, who has been largely responsible for the CBSO's present eminence and for whom playing under Boulez in the National Youth Orchestra 20 years ago was an important formative experience, it must be an immensely satisfying occasion.

Boulez is spending the best part of two weeks in Birmingham, conducting two CBSO programmes as well as working with students from the Birmingham Conservatoire and appearing with the Birmingham Contemporary Music Group. The programmes of Debussy, Stravinsky, Bartók and the Second Viennese School, as well as his own *Notations*, come from the core of Boulez's musical world. It is all repertory close to Rattle's heart also; at present there can be few European orchestras better equipped to respond to Boulez than the CBSO.

Certainly the verve with which he launched the first of Schoenberg's Five Orchestral Pieces in Symphony Hall on Thursday last week could only have been achieved through complete familiarity and technical confidence. The later, more expressive Boulez emphasises the sinewy lyricism of these pieces and in the process demonstrates just how important a model they were for Alban Berg; but that still does not preclude him from balancing the colour chords of the "Farben" movement with absolute precision, or marshalling the counterpoints of "The endless recitative" with uncompromising directness.

There was Webern in both concerts. In Thursday's the two Cantatas Opp. 31 and 29 framed the orchestral Variations Op. 30 and slightly misfired: an unannounced change of programme order did not help the audience's concentration, but there was still something didactic about Boulez's Webern, however much he gave dramatic life to the choral textures (from the BBC Singers) in the cantatas or underpinned the soloists (Sarah Leonard and

Robert Hayward, both faultless) with vivid detail. In the Variations there was still the feeling of emphasising compositional intricacy over expressive force. The freedom with which Boulez conducts Schoenberg and Berg nowadays seemed not yet percolated through to their compatriot, yet the second concert this Wednesday opened with as effective and direct an account of the Op 1 Passacaglia as could be imagined, built up from the slowest of beginnings to a fierce, challenging climax.

Petrushka ended the first concert, given as always by Boulez in the original 1911 version with quadruple wind. The CBSO was on top of every bar, wonderfully pungent in its solos (eloquent flute, piano, clarinets and trumpets) and exact in its ensemble. Boulez combined rhythmic accuracy with exquisite refinement – ravishing in the delicate folk counterpoints of the first tableau and in the lapping impressionist washes of the last, which seem like the Stravinsky equivalent of a vamp-til-ready. In the closing pages every element was made to tell, with no question of anything but the most acute and searching dramatic sense informing every note.

The second programme was rounded off with a flourish by *Notations*, a brilliant orchestral showpiece which has surely become the most performed of all Boulez's works. There was a sample of his unsentimentally eloquent Debussy too in the shape of *Nocturnes* and a staggeringly accurate account of Bartók's First Piano Concerto with Krystian Zimerman as the perfectly cast soloist. Zimerman is a wonderful foil to Boulez's keenly perceptive accompaniment, just as vigilant and scrupulous in his own balancing of textures, just as exact in his rhythmic sense and technical address. The CBSO responded with equal alertness; even in a brace of concerts pitched at the very highest level of accomplishment, the concert was very special indeed.

Symphony Hall, Birmingham; further concerts January 26 (Birmingham), 27 (London)

Recital/Max Loppert

Kurt Equiluz

Kurt Equiluz has for many years been a famous exponent of Bach's oratorios in all the world's important Bach-performing cities. As a Lieder singer he is much less widely known. Tuesday's recital at the Wigmore Hall was his first in London – a remarkable and, indeed, memorable debut in more ways than one. According to the *New Grove Dictionary of Opera* the Austrian tenor is only a few months short of his 64th birthday, an unusual age for a singer to be confronting new audiences; but it seems Mr Equiluz won many admirers during his recent spell of teaching at the Pears-Britten School in Aldeburgh, who persuaded him that his wares simply had to be displayed further afield.

They were absolutely right. Lieder-singing of this kind and quality is unfamiliar. The kind is perhaps not to every taste. Mr Equiluz's instrument is extraordinarily well preserved, and used with a skill that affords in itself a sort of master-class object; but it has little flesh left on the tone, juice in the timbre, and therefore allows him little room for expansiveness or physical exultation.

Every line comes out "light" – but as it is a lightness turned unfailingly to artistic ends, Mr Equiluz's singing of Schubert, Wolf,

Joseph Marx and Strauss swiftly moves his audience worlds away from the modern mode of Lieder-listening. He operates with absolute confidence according to the "less is more" maxim: the slenderness of the sound is allied to the utmost precision of tonal and verbal shading, to a wonderful charm and delicacy in every phrase and sentence. In the opening Schubert songs – "Liedbotschaft" and "Ständchen" from the *Schwanengesang* – one could almost feel the dimensions of an already intimate and welcoming performing space shrinking still further around the voice and the personality. In the best way, the "domestic" communicative side of Lieder-singing seemed to be re-awakened. Wolf thus treated, Wolf not dressed up with bright interpretative lights and expert cosmetic applications, is a revelation.

True, there were a few songs on the programme (properly requiring a greater degree of vocal weight and emotional force) than Mr Equiluz could summon; and certainly, the voice was not always treated with the appropriate tact for Margot Füssi's meaty piano-playing. But altogether this was an experience of rare and delightful freshness. I could easily imagine Mr Equiluz becoming a cult figure among London's Lieder-loving public.

INTERNATIONAL ARTS GUIDE

The Berlin Philharmonic Orchestra, with its chief conductor Claudio Abbado, gives a Brahms cycle in Paris next month, followed by a tour of Italy. The Paris visit consists of five concerts at Salle Pleyel beginning on February 5 with the First Piano Concerto and ending on February 13 with the Second Piano Concerto and Second Symphony.

The soloist on both occasions is Maurizio Pollini. The cycle also includes the other two symphonies, the *Deutsches Requiem*, the *Violin Concerto* (Maxim Vengerov) and *Double Concerto*.

The Italian tour opens on February 15 at La Scala, Milan, and continues to Naples, Rome, Bologna, Ravenna and Reggio Emilia, with works by Beethoven, Brahms and Richard Strauss.

The orchestra returns to Berlin at the end of February for a programme of music inspired

by Hölderlin, followed in early March by concert performances of *Faust*, conducted by Georg Solti, with José van Dam in the title role.

Another major orchestra on tour in coming weeks will be the San Francisco Symphony, which gives two concerts at Carnegie Hall, New York (March 8 and 9), before embarking on an eight-city tour of Europe (March 12-25) with its music director Herbert Blomstedt.

A highlight of the tour will be the New York and European premieres of a new Oboe Concerto by American composer John Harbison, to be played by the orchestra's principal oboist William Bennett.

The European tour opens with two concerts in Frankfurt, followed by Vienna, Brussels, Hamburg, Berlin, Copenhagen, London and Birmingham. The programmes will include works by Copland, Bruckner, Sibelius and Stravinsky.

The BBC Scottish Symphony Orchestra visits Germany in March with its principal conductor Jerzy Maksymiuk, starting with a concert in Kiel (March 2), and continuing to Bremen, Leverkusen, Viersen, Frankfurt, Stuttgart and Regensburg (March 10).

The tour repertoire includes music by Shostakovich, Wagner, Nielsen and Scottish composer John Maxwell Geddes.

EXHIBITIONS GUIDE
AMSTERDAM
Rijksmuseum Art, Expertise and

Trade: a behind-the-scenes view of the gallery of J H de Bois, who made an international name in the early 20th century with his trend-setting transactions and exhibitions of contemporary art. The selection of more than 100 works handled by De Bois includes paintings by Van Gogh and Kollwitz, as well as some privately-owned works which have never previously been exhibited. Ends May 2. Also North Netherlandish Art 1580-1620. Ends March 7. Gao Qipai (1660-1734) and the Art of Chinese Finger Painting. Ends Feb 26. Closed Mon. Van Gogh Museum Glasgow 1900. Ends Feb 7. Daily

BARCELONA
Fundació Joan Miró Wilfredo Lam: 60 paintings produced between 1930 and 1970 by the Cuban artist, reconciling the artistic vigour of Latin America and Africa with the European avant-garde that Lam came into contact with in the 1930s through Picasso and others. Ends March 28. Closed Mon.

Palau de la Virreina David Hockney: 73 paintings. Ends Feb 28. Daily. Fundació Caixa de Catalunya Photographic Reporting behind the Iron Curtain 1945-90. Ends Feb 10. Closed Mon.

BERLIN
Neue Nationalgalerie After Guernica: major Picasso exhibition focusing on the 1950s. Ends Feb 21. Closed Mon. Alte Nationalgalerie The Collection of Count Raczynski: Paintings of the late Romantic

era. Ends Feb 14. Also Art in Germany 1905-37. Ends April. Closed Mon and Tues

FLORENCE
Kimball Art Museum Bassano: a major exhibition first mounted in Bassano del Grappa last year to celebrate the artist's 400th anniversary. Several additions to this latest showing include The Miraculous Draught of Fishes and four paintings of the Noah story. Ends April 24

GENEVA
Musée d'art et d'histoire Egyptian Blue: a collection of glazed earthenware from ancient Egypt, including statuettes, ritual vessels and washing implements, all coloured with the turquoise-blue characteristic of the epoch. Ends Sep 19. Also Between Byzantium and Islam: objects in clay and bronze discovered during recent archaeological work in Jordan, including mosaics from a Byzantine church. Ends Feb 21. Closed Mon

Musée Barber-Mueller Art of the Salomon Islands: a selection of the museum's own rich collection of art from the west Pacific, including sculptures, ceremonial weapons, jewellery and everyday objects. Ends Feb 18. Daily

LAUSANNE
Fondation de l'Hermitage From David to Picasso: 200 paintings, drawings and sculptures from the rich collection of the Musée de Grenoble. Ends March 21. Closed Mon

LISBON
Centre of Modern Arts Max Ernst: 260 works by the

German-born Surrealist. Ends March 28. Closed Mon (Gulbenkian Foundation)

LONDON
Hayward Gallery The changing condition of sculpture 1965-75: a major exhibition of international contemporary sculpture, exploring the decade which witnessed the maturity of Minimalism and the emergence of Conceptual Art. It includes 80 works by 20 influential artists, including Joseph Beuys, Richard Long, Barry Flanagan, Bruce Nauman and representatives of Arte Povera. Ends March 14. Daily

National Gallery Munich: The Frize of Life. Advance booking through First Call 071-497 9977. Ends Feb 7. Also Robert Campin: the fourth of the Brief Encounters series brings together two related works by the early Netherlandish painter – The Virgin and Child in an Interior from the Gallery's own collection, and a diptych lent by the St Petersburg Hermitage, showing The Trinity and Child. Ends March 28. Daily

Royal Academy of Arts The Great Age of British Watercolours 1750-1880. Ends April 11. Also Sackler retrospective. Ends Feb 14. Daily

Accademia Italiana Ruskin and Tuscany. Ends Feb 7. Daily

Tate Gallery Visualising Masculinities: the male body in art since the mid-19th century. Ends June 6. Daily

British Museum Howard Carter: before Tutankhamun. Ends May 31. Daily

Design Museum Scandinavian design in Britain 1930-70. Also New Directions in Scandinavian Design. Ends Feb 28. Closed Mon

MANCHESTER
Whitworth Art Gallery Romantic Landscapes from Norway: 120 oil studies, watercolours and drawings by Johan Christian Dahl (1788-1857) and Thomas Fearnley (1802-1842). This is the first exhibition in Britain of two outstanding Norwegian landscape painters. Ends March 27. Closed Sun

MUNICH
Kunststiftung der Hypo-Kulturstiftung Frederick the Great: an exhibition illustrating the 18th century Prussian king's relationship with art and artists. Ends Feb 28.

NANCY
Musée des Beaux-Arts Art in Lorraine 1892-1950: more than 30 painters are represented in this thematic retrospective, showing the richness and diversity of the region's art and its links with the major movements of the period. Ends April 18. Closed Tues

NEW YORK
Metropolitan Museum of Art Ancient Near Eastern Treasures in the Louvre. Ends March 7. Also A Peruvian Lord's Tomb: third century adornments made by the Moche people of Peru. Ends July 4. Closed Mon

Whitney Museum of American Art The Geometric Tradition in 20th century American Art. Ends Feb 14. Closed Mon

PARIS
Musée d'Art Moderne de la Ville

de Paris Figures du Moderne: 450 works by Kandinsky, Franz Marc, Nolde and other Expressionists. Ends March 14. Closed Mon, late opening Wed (11 ave du Président Wilson)

Musée d'Orsay Sisley. Ends Jan 31. Closed Mon, late opening Thurs (quai Anatole France) Louvre Byzantine Art. Ends Feb 1 (Hall Napoleon). Veronese's The Marriage at Cana. Ends March 29 (Salle des Fêtes). Closed Tues

Petit Palais French drawings of the 18th century. Ends Feb 14. Closed Mon (ave Winston Churchill)

Musée Picasso Crucifixion: an exhibition built around Picasso's masterpiece of 1930, and including works by Bacon, Sutherland and de Kooning which were influenced by it. Ends March 1. Closed Tues

National Gallery of Art Watson and the Shark. Ends April 11. Also The Greek Miracle: Classical Sculpture from the Fifth Century BC. Ends Feb 7. Contemporary Drawings and Prints from the Permanent Collection: 123 works by David Hockney, Jasper Johns and others. Ends March 14. Daily

National Portrait Gallery Rembrandt Peale (1778-1860). Ends Feb 7. Daily

Phillips Collection Georgia O'Keeffe and Alfred Stieglitz: a conversation in paintings and photographs 1918-30. Ends April 4. Daily

The French government's 53-year-old boy adventurer has done it again. Earlier this week Mr Bernard Kouchner, France's humanitarian aid minister, got 33 Bosnian Muslims prisoners freed in exchange for the same number of Serbian prisoners.

Some cynics carped that Mr Kouchner was just on another ego trip, while at the same time trying to save the face of Mr Roland Dumas, the French foreign minister who had rashly claimed that France would liberate the Bosnian POW camps by force, and by itself, if necessary.

But in an interview just before he left for Bosnia, Mr Kouchner disclaimed any such tawdry political calculations. "People are suffering in the [Bosnian] camps," said France's modern-day Scarlet Pimpernel. For him, the moral obligation is to act, and act speedily. "Don't wait, don't ask for clearance - just go," is still his motto, he says.

Mr Kouchner has proved impulsive in his five years as France's humanitarian aid minister, just as he was after 1971 when he established Médecins Sans Frontières to spirit himself and other crusading French doctors across frontiers and battlelines into Biafra, Afghanistan, and Vietnam. This impulsiveness in a noble cause, combining the methods of a Tintin with the goals of Mother Teresa, has put Mr Kouchner at the top of the French opinion polls.

He is clear why his brand of emergency aid has struck such a chord. "It is direct, palpable... perhaps too superficial, but compared to the hackneyed way politicians describe the world it speaks to people, especially to the young... it seems to be more moral than traditional political approaches." Above all, for western youth with dismal economic prospects at home, it is, says Mr Kouchner, "a vision, a style, an adventure".

His method, he concedes, is far more gripping than long-term development aid, which tends to produce long-term results. He readily admits the need for "a follow-up", for development aid, but it requires "another kind of courage, perseverance". He stresses that, in Somalia, he is already turning over some of his ministry's emergency aid money to development organisations to revive the economy, once US and French troops have re-established order.

The other ingredient of Kouchnerism is the media. His

Minister sans frontières

Bernard Kouchner, head of France's humanitarian aid, talks to David Buchan and Alice Rawsthorn



Not camera shy: Kouchner wades ashore in Somalia

partner happens to be Christine Ockrent, the doyenne of the new French breed of bright and beautiful television executives. Mr Kouchner is anything but camera-shy himself. Last month he overdid it, wading ashore in Somalia with a bag of rice on his back for the benefit of the massed cameras.

He has long exploited the power of the small screen to excite compassion. Indeed, the reason some of his co-founders of Médecins Sans Frontières parted company with him was that they thought he was wrapping efforts to rescue Vietnamese boat people in too much media-hype. He then founded Médecine du Monde, which has run a poster campaign in France likening Mr Slobodan Milosevic, the Serbian leader, to Adolf Hitler, a comparison which Mr Kouchner finds excessive.

Yet, for Mr Kouchner, "showbiz" is a vital part of whipping up and sustaining public support for humanitarian aid. European Community officials have been irritated at the way the French minister sometimes jets in, complete with TV camera crew, to take credit wherever EC relief aid is being delivered. And why not? he

But the upshot is that France now has more troops - over 10,000 - than any other country in the UN (mainly in Bosnia, Cambodia and Somalia). For Mr Kouchner, this doctrine of "humanitarian intervention" has made fantastic progress. "We [French doctors] used to be considered boy scouts - now states intervene under the UN flag."

A final Kouchner victory came last week with the announcement that future conscripts could do a 16-month "humanitarian service" in the third world, instead of serving their 11 months in the French army. "I campaigned nine years for this," says Mr Kouchner, pointing out that he receives 25,000 requests a year from conscripts asking him for a "do-good" alternative.

Mr Kouchner is unique among European ministers responsible for humanitarian aid in that, unlike them, his other charge is not development aid, but the health ministry. This puts him outside the foreign policy establishment and that is where he wants to stay. He refused Prime Minister Pierre Bérégovoy's suggestion last autumn that he should take on the development aid ministry as well. "I felt it better to stay with health," as a doctor among doctors, who "do not have to take account of frontiers and political realities".

In any case, he points out, "80 to 70 per cent of humanitarian aid is carried out around medicine".

Drab normality may soon reassert itself, if the conservative opposition wins the March election. "The right have asked me to stay on," says Mr Kouchner, who claims to be "of the left" but wears no party label and is not standing for election. He declined. He suspects that a conservative government would put humanitarian aid back under the control of the Quai d'Orsay. Furthermore, "after five years in office, I want to come back for one or two years to reality and normality". What does this comprise? "Hospital work, sun, humanitarian missions, setting up a foundation, thinking, writing, looking at women."

"I might return to politics in time for the presidential election [in 1995]. To stand in his own right for the Elysée? No, I intend to stand beside someone else." Beside whom, he will not say, except to admit that he is "very close" to Mr Michel Rocard, the likely Socialist standard-bearer. Certainly, a Socialist candidate in 1995 may need all the lustre that Kouchner can lend.

Joe Rogaly

Yes, but no sax appeal



Here's a thought that may have crossed the mind of Britain's prime minister: there are 2,535 days, or just over 83 months, to go to the turn of the century. Who will be in the important seats of power then? I can think of just three incumbent politicians who may reasonably fancy their chances of holding on until at least January 1 2000. They are: President Bill Clinton, Mr John Major and, of course, Mr Saddam Hussein.

Very well, strike out the latter. The notion is too depressing. What is certain is that by the end of this decade France will have a new president, Germany a new chancellor, Italy a fresh prime minister and the European Commission a president other than Mr Jacques Delors. Even Spain will probably have a different head of government.

Most of the above changes are likely to take place within the next two or three years. That would clear away the present generation of continental west European leaders - and with it the Kohl-Mitterrand duet. A different cast would be in place comfortably in advance of the next British general election, which need not be held until 1996 or 1997. The new US president and the relatively new British prime minister might, however, sit in their present chairs until the millennium.

When writing such words you should always keep your fingers crossed, throw a pinch of salt over your left shoulder, chant a few spells, and pepper the air with phrases about not tempting fate. It is far too early to start guessing whether Mr Clinton will win again in 1996.

Yet while Wednesday's inaugural speech may have sounded

corny to British ears (it was corny), only crusty old cynics can fail to have envied the wide-eyed optimism in Washington. The new president may turn out to be a disaster, but he should at least be given his first 100 days of grace.

Mr Major is another story. Memories of the mishaps of 1992 are still fresh. The conventional wisdom is that, one way or another, he will be tripped up before long. I think not. The prime minister has started the new year in combative form, as his performance in the House of Commons shows. He seems revitalised. This is not self-delusion. He faces no challenger the future. He can hope for a

Major will insist, until the cows come home, that the Citizen's Charter is improving public services

Meanwhile, he can work hard in 1993 to regain the authority he lost in 1992.

That is what he is doing. To understand his methods, we must look back. When he arrived in Number 10 Downing Street just over two years ago, Mr Major was young, well-liked, and good on television. He would have done well to celebrate by playing a saxophone and talking of change.

Yet he could not then make Clintonesque speeches about not tempting fate. It is far too early to start guessing whether Mr Clinton will win again in 1996.

Yet while Wednesday's inaugural speech may have sounded

likely to honour his predecessor. His first task was to maintain the unity of the Conservative party.

It remains his first task. The Tory schism over Europe, which destroyed his predecessor, has almost devoured him. On one crucial Maastricht vote, on November 4, his majority was reduced to three. He must maintain the delicate balance achieved on that terrible night until the bill is safely through. Then he may relax, but just for a moment. If he is prudent he will avoid talk of rejoining the exchange rate mechanism until after the next election, in spite of his preference for managed exchange rates. If he is lucky, the ERM will have imploded before he has to make a choice; if he is ill-starred, all circumstances save the condition of the Conservative party will be favourable to re-entry.

Meanwhile the debate on the political structure of the new Europe could change in his favour. A review of the Maastricht treaty is due in 1996. In theory that could reopen Tory wounds. But Mr Major is taking out insurance this year. He is preparing papers that envisage a loose government-to-government structure and an open Europe, stretching from the Atlantic to the Russian border. When the 1996 inter-governmental conference comes along, and all the faces except Mr Major's are new, he can try to move the European Union further along that Thatcherite trail. Call it good tactics, or call it perfidious Albion. The result is the same.

There is little that the prime minister can do to meet the criticism that he is not leading us anywhere. He inherited a 13-year-old administration. He did not create a new one from scratch. He did not have the luxury of a period of opposition in which to invent new slogans, new strategies, new constructions of the liberal market economy. Yet all is not lost. "Placing Britain at the heart of Europe" has had less of a ring to it since Black Wednesday, but it may still be serviceable if the European debate moves along the lines suggested above.

Anyway, seen from Mr Major's point of view, his government is doing a lot. The health reforms are bedding down. Far-reaching education reforms are being put in place, albeit not smoothly. The structure of local government is being rationalised. (But the establishment of larger units does not strengthen local government if at the same time its finances are constrained and its powers over housing, education and possibly the police are removed.) Contracting out of white-collar civil service jobs is moving ahead. The prime minister will insist, until the cows come home, that the Citizen's Charter is improving public services. His latest initiative, which will be promoted as a 1990s "boutique of controls", is a welcome search for industrial regulations that can be scrapped. The budget will probably include supply-side initiatives that can be said to favour manufacturing.

Mr Major has acknowledged that he has not found the words to depict this collection of programmes, most of which I applaud, as a grand campaign. I wonder if it would do any good if he did. Mr Clinton could announce without shame that "Americans have ever been a restless, questioning, hopeful people". Are the British?

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

Fax 071 673 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

Contracting out not affected by judgment

From Mr Michael Forsyth MP.

Sir, Your labour editor has drawn attention ("EC setback for ministers on contracting-out", January 18) to a recent case in the European Court of Justice. Rask v ISS Kantineservice A/S. It was suggested that the judgment in this case means that the EC Acquired Rights Directive applies when a service is contracted out. In fact the judgment went no further than to confirm that the directive is capable, in principle, of applying in such cases. There is nothing new in this. The judgment specifically left it to the Danish courts to decide, on the facts of the case, whether a transfer of an undertaking had taken place.

The Rask case therefore makes no difference to the position which has been long understood, that employees will only have rights under the directive if the undertaking in which they work has been transferred as a going concern. If no more than a contract to provide a service has been transferred, the directive does not apply. The Rask judgment does not therefore have the effect of applying the directive to contracting out, any more than it applied in such cases before.

Michael Forsyth, Minister of State for Employment, Department of Employment, Cannon House, Tothill Street, London SW1

Mortgage relief alternative

From A E W Hudson.

Sir, Re your article "The threat to interest relief on mortgages" (January 18) and current speculation on budget requirements prompts me to suggest a simple approach limiting relief to earlier years of home ownership, namely:

• relief to be available only for 10 years after first purchase, (or for five years after April 1 1993 for existing qualifying mortgages);

• future first-time buyers after April 1 1993 to be eligible for relief on £40,000; this level to be open for budget revision every four years;

• relief to be available on subsequent qualifying house purchases within the time period defined above, but only at the level initially allowed.

A E W Hudson, Princess House, 105-107 Princess Street, Manchester M1 6DD

Coal: cabinet tinkering while competition should be the aim

From Mr Peter Carver.

Sir, One of the justifications often advanced by ministers for the government's privatisation programme was the removal of the various undertakings' tariffs to a place of safety in the private sector. No longer, we were told, would cabinets be able to tinker with utilities' prices to achieve fiscal objectives as they had done in the past.

Politicians should re-read their old speeches before they adopt the pusillanimous option of subsidising coal through a levy on electricity bills. The honest approach would be to identify any assistance as a component of the public sector borrowing requirement.

That would have the added virtue of avoiding an unfair hike in the running costs of my members' many projects to the artificial benefit of the gas appliance and supply industry. Peter Carver, Association of Manufacturers of Domestic Electrical Appliances, Leicester House, 6 Leicester Street, London WC2H 7BN

From I A Patrick.

Sir, Mr J D Meads (Letters, January 20) correctly points out that, with no competition from imported coal or any other energy source, British Coal could produce 60m tonnes of coal a year profitably. This is not the point.

Competition is fundamental to allow a consumer choice and, regrettably for coal, competitive sources of fuel are, and must, remain available. Mr Meads goes on to cast gas as the main culprit for the demise of the UK coal industry, but care must be taken in making sweeping assertions about an industry as large and diversified as the offshore gas industry which has many jobs at stake in the current energy review.

Under the currently contemplated five-year coal contracts, the limit of 40m tonnes a year falling to 30m tonnes is set by the size of the franchise market for electricity, of which nearly 40 per cent will by 1995 be accounted for by those gas-fired generating stations with long-term take or pay contracts with the regional electricity

companies. It is, however, important to recognise that not all gas-fired power stations supply the franchise market and those which do not (owned by National Power and PowerGen) have no impact on the five-year coal contracts under consideration. The current debate has had a severe and unjustifiable impact on the development of these stations, such as at Connahs Quay in Clwyd, with enormous implications for loss of investment and new jobs.

The only thing preventing British Coal increasing its output beyond the level of the five-year contract is its inability to compete with imported coal. All our efforts must be directed to making British Coal internationally competitive rather than trying to shut down competing industry in the UK particularly at a time when we can ill afford to lose jobs in any industry, be it coal, nuclear or oil and gas.

I A Patrick, commercial director, Monument Oil and Gas, 80 Petty France, London SW1H 9EX

The real nature and scale of IBM's problems

From Mr Daniel Trimmer.

Sir, The FT's various commentaries on IBM and its record losses reflect widespread misunderstanding as to both the nature and the scale of the corporation's problems.

IBM's troubles have been brewing for a very long time. For two decades, IBM has been suffering an erosion of relative market share. For nearly half of that time, under the chairmanship of John Akers, the profit-spinning mainframe side of the business has been virtually stagnant. In the computer industry, these are extremely long time-frames. IBM itself, not being entirely stupid, has been well aware of the trends. Yet, virtually nothing effective

has been done to meet the changing world.

The commonly cited issue of IBM's size is irrelevant. If IBM grew to be a certain size by meeting market requirements, it cannot follow that it is suddenly too big to meet the needs of what are by and large the same customers. Breaking IBM into smaller units, each with management even worse than that enjoyed by the corporation overall, will not solve the problem.

The roots of IBM's problems have little to do with technology and everything to do with culture and ethics. By fostering a paternalistic, conformist culture which is light-years away from competitive capitalism,

and by trying to sell the customers for new types of items to old or proprietary products (in networking and operating systems, for example), IBM has magnified, not lessened, its grief.

The corporation's inability to work well with new types of marketers to distribute low-end products is part of this "enclosed" mentality.

IBM's future is indeed grim, but more accurate analysis by the press might help both computer users and the industry (including IBM) to see the issues more clearly.

Daniel Trimmer, 7 Milton Way, Bookham, Surrey KT22 9HY

Dockland heritage enriched, not destroyed

From Mr Howard Sheppard.

Sir, Brian Gill's depiction of London's diminishing built heritage in the dockland area was misleading in the extreme (Letters, January 14).

Contrary to what he suggests, when the Department of the Environment was invited in 1981 by the newly created Docklands Development Corporation to survey every building in its jurisdiction, no buildings of architectural or historical merit were identified on St George's Wharf, Deptford. However, 115 previously overlooked buildings in the Dock-

lands area were listed, adding substantially to the existing list compiled in 1973.

Since 1981, further research has shed light on many other buildings and artefacts which have proved to be of historic or architectural value. The corporation has wasted no time in having these spot-listed. On St George's Wharf, for instance, the LDDC has repaired and restored an old brick wall and parish boundary stone dating from 1819. These were spot-listed in July of last year.

It was not too long ago that the old dock buildings were

being pulled down and the docks filled in, without any regard to their potential significance. In the 11 years of the corporation's existence, however, that trend has been reversed. The preservation and conservation work carried out by the LDDC has ensured that London's heritage in docklands, far from being destroyed, is being enriched.

Howard Sheppard, director, city design and planning, LDDC, Thames Quay, 191 Marsh Wall, London E14



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Like many refugees, they were all she had left. Fortunately, some things can't be taken away at the border.

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Friday January 22 1993

Harsh fare for the jobless

THE UK government, poorly advised by civil servants and City economists steeped in the conventional economic wisdom, miscalculated the length and depth of recession. It now risks overestimating the speed of recovery. Yesterday's Treasury statement, pointing out that most independent forecasters expect a return to growth this year, can hardly have cheered the 50,000 ex-workers who joined the unemployment register last month.

The first priority of the government's new unemployment policy should be to give the economy another kick quite soon. The Treasury is right to counsel against interpreting November's 0.5 per cent fall in manufacturing output as evidence that the recession is still deepening. But the Treasury has been saying the same thing for months, while the economy remains flat on its back, with scant evidence to suggest that it is going to get up again soon.

The one piece of good news is the swift fall in the rate of increase of average earnings. The government now has room to cut interest rates once more, despite the slight slip in sterling's exchange rate over the past week. It should do so, assuming, heroically perhaps, that the Treasury can raise rates once more if earnings start to pick up.

Yet both history and the practices of British wage-bargaining suggest that cuts in interest rates will do little to push back the flood of lost jobs that has far exceeded the increase in registered unemployment over the past year. Unemployment has risen by 1.4m since the recession began, but total employment has fallen by a fraction short of 2m. This explains why a shrinking and unprofitable manufacturing sector is now registering rates of productivity growth in excess of 5 per cent a year.

One reason for this unusually rapid fall in employment by historical standards is the increased ease with which employers can now shed labour. But this has been compounded by the willingness of the employed to push for higher wages at the expense of job cuts. The average earnings of those lucky enough to keep their

jobs have now risen by a shocking 17.1 per cent since the recession began and by 6 per cent when earnings are adjusted for inflation.

Excessive wage increases remain the greatest threat to the unemployed, as Mr Fred Bayliss for the Employment Institute. The government has a responsibility to represent the unemployed by cajoling employers and unions to keep settlements low and by waging the interest rate stick to grow in average earnings starts to rise again.

The government should also be planning how to help the newly unemployed compete when recovery begins. Recent talk of cutting unemployment benefits or of imposing some form of workfare on people out of work for less than two years is misguided. The government should, instead, concentrate its help on subsidising full-time job search, expanding job clubs and computerising the woefully inadequate system for storing job vacancies.

The more difficult challenge for public policy is how to help the very long-term unemployed, normally young or old men with no educational qualifications, who have been unemployed since before the recession began and are likely to remain so when recovery comes. The negligible education of these men means that they are not attractive to employers except at lower wages than the unemployed who can get a job.

These men are the targets of the new enthusiasm for workfare schemes. But the US experience spins a cautionary tale. Workfare has an understandable appeal in these days of tight budgets, responsibilities and budget deficits. But the risk in stopping benefits or replacing them with poorly paid workfare schemes is that the young unemployed will be driven not into employment but into the criminal economies of modern cities. A better option may be to subsidise employment, so closing the gap between what the illegal economy offers young people and what the market will pay. Subsidising their employment, in either the private or public sectors, makes more sense than leaving them to decay.

BA off course

YESTERDAY'S statement from British Airways on the Virgin scandal is quite unsatisfactory. The board has satisfied itself that none of its members "implemented or authorised" the dirty tricks campaign. If that means none of them knew about it, we are left with the picture of a company woefully short of operational intelligence at board level. In an industry not noted for its delicacy, BA should already have had an explicit code of conduct. But even if such a code had been in place, BA could not have policed it.

Where BA goes from here is a question of corporate governance. Critics of the Cadbury report have argued that to put in non-executive directors to police the executives is to set the board at each other's throats. In most cases, this seems an objection worth thinking about. BA's case suggests otherwise. The implication of yesterday's statement, after all, is that no management changes are

required at any level. Lord King can see out his twilight months and Sir Colin Marshall will succeed him as chairman and chief executive.

This seems complacent to the point of absurdity. The board is in dire need of outside talent, not only to run the business but to correct the inward-looking and obsessive tendencies of the BA culture. At the very least, shareholders should insist that Lord King's job be split on his departure.

It remains possible, of course, that matters will take an uglier turn. BA's actions were anti-competitive at the least. If official action should follow, the rules of the game will change. If not, the board should take a tough line. If Sir Colin were to insist on both jobs or nothing, he would undoubtedly be hard to replace. But if a company lets itself fall under the spell of a dominant individual, it has itself to blame when things eventually go wrong.

Bosnia's future

THE BOSNIAN Serbs' acceptance of the constitutional framework for a future state of Bosnia-Herzegovina hardly justifies premature jubilation. The statements by Bosnian Serb leaders clearly indicate that the endorsement by their parliament of the first stage of the peace plan is no more than skin-deep. They have not abandoned their goal of a separate Serb state, at least in the long term, in spite of the draft constitution's provision for a unified, if largely decentralised Bosnian state.

Yet the decision by the Serb assembly was nonetheless a success for the peace process, conducted with great commitment by Mr Cyrus Vance and Lord Owen. Since the beginning of the year, the mediators have brought round the same table the leaders of the three warring factions - Serbs, Muslims and Croats - who had previously refused to meet face-to-face. Their participation in direct talks suggests that proponents of a diplomatic solution are gaining some ground.

That is an important development at a time when the negotiators are about to embark on the hardest part of the peace plan - the controversial map of the future state's provincial boundaries. This map has been condemned, not least by the Bosnian Muslims, for underwriting the military gains made by the Serbs and condoning, in territorial terms, their policy of "ethnic

cleansing". Those criticisms, however, are at least partially based on a misunderstanding of the facts.

Under the plan, the Serbs, who currently occupy some 70 per cent of the total territory of Bosnia, compared with about 60 per cent before the conflict, will be allocated no more than 45 per cent in the future. That represents a greater Serb roll-back than is generally realised. It provides the basis for a genuine compromise which the Muslims would be well-served to consider seriously.

Mr Slobodan Milosevic, Serbia's president, will continue to have a vital influence on the peace negotiations, as he did in putting pressure on Mr Radovan Karadzic, the Bosnian Serb leader, to accept the constitutional framework. There are, of course, good reasons for doubting the sincerity of Mr Milosevic, a passionate advocate of a greater Serbia. It would be unrealistic to believe that he has given up the political objectives which he proclaimed so loudly only a short time ago. However, economic self-interest may temporarily prove to be a more powerful motive for Mr Milosevic than political idealism. The pursuit of a costly war and international sanctions are increasingly undermining Serbia's economy and the standard of living of its people. That, more than anything else, is what has driven him to his currently constructive role in the negotiating process.

Not since the first post-war years has the prestige of the United Nations stood so high in the western world.

When great powers wish to take military action they now justify it by reference to UN Security Council resolutions. When they wish not to take military action, the absence of such resolutions is the first argument they use. When defining the role of their armed forces, western leaders put peacekeeping high on the list of tasks, and refer to the "primacy" of the "invaluable experience" of the UN in this field. When they seek a political solution to regional conflicts, they almost instinctively write in a UN role. Some of them even refer cautiously, but without dismissing it out of hand, to the possibility of placing reluctant countries such as Bosnia and Somalia under long-term UN administration.

Such expectations and demands have thrust the UN into the limelight, but are also subjecting it to enormous strain. So much so that senior figures in the Secretariat are beginning to wonder if it is up to the job. That implies a criticism directed partly at themselves and the bureaucracy they run, but partly at the Security Council and its permanent members, from whom most of the demands come. A running theme of such criticism is that the member states are not giving the UN the resources - financial and human - to do the job required of it.

The secretary general, Mr Boutros Boutros Ghali, has been struggling with these problems since he took over a year ago. He began by a restructuring of the Secretariat itself, drastically reducing the number of undersecretary generals (USGs) and regrouping the Secretariat's activities in large departments, each headed by a USG directly answerable to him. Four of these departments are directly concerned with the security issues which the western world, at least, regards as the UN's central responsibility.

Mr Jan Eliasson, a Swedish diplomat who worked closely with the late Olof Palme, notably in his efforts to end the Iran-Iraq war, deals with humanitarian affairs. Mr Marrack Goulding, formerly British ambassador in Angola, retains the peacekeeping portfolio he inherited from Sir Brian Urquhart in 1986. Preventive diplomacy and "peace-making" shared on a regional basis, between Mr James Jonah of Sierra Leone, an old UN hand, who deals with Africa and the Middle East, and Mr Vladimir Petrovsky, once a Soviet deputy foreign minister, the main articulator of Mikhail Gorbachev's vision for the UN and now the UN's own top diplomat for Europe, Asia and the Americas.

All four are heavily overworked, partly because on any issue of importance Mr Boutros Ghali insists on dealing with them personally rather than with their subordi-

A victim of its own success

The enhanced role of the UN has raised new questions about its goals and resources, says Edward Mortimer



Troops in Cambodia: the UN's biggest mission. Mr Boutros Ghali (above): struggling with restructuring

UN: stretched to the limit



ally rather than with their subordinates. But probably the greatest burden falls on Mr Goulding. Peacekeeping, a concept not mentioned in the UN charter, and indeed largely invented by the UN during the cold war, has now become a ragging fashion.

The essence of it is that small, lightly armed military forces are interposed between the combatants in a war, with the consent of both parties, as part of a ceasefire agreement: a confidence-building measure, enabling each side to feel confident that the other will not launch a surprise attack. The agreement may also call on the military groups to collect weapons from both sides, and sometimes to undertake temporary policing or administrative tasks, such as the supervision of elections. Such forces are understood to be impartial and are not expected to take any part in fighting; their arms are to be used only in self-defence.

So great has been the demand for peacekeeping forces that the number under Mr Goulding's command quintupled last year; these forces now number close to 60,000. But his own administrative staff at UN

headquarters has increased only from 10 to 15. They are at once gratified and embarrassed by their inability to match the large teams of staff officers sent to talk to them from much larger military bureaucracies, such as Nato and the Pentagon, which are now keen to get in on the peacekeeping business.

The US has offered Mr Goulding various forms of electronic hardware - "real-time" communications systems, for instance, and a 24-hour operations room - which he has so far hesitated to accept, apparently doubting whether he and his staff have the capacity to manage such sophisticated machinery. Meanwhile, he works a 14- or 15-hour day, seven days a week, and is visibly weary under the strain.

Out of five important UN operations in 1992, four - in Angola, Cambodia, Somalia and the former Yugoslavia - have either failed or are in serious trouble, not mainly through technical failures by the peacekeepers but because of unresolved political problems. Even the one success story, in El Salvador, now seems threatened by the refusal of President Alfredo Cristiani to dismiss some officers, includ-

ing his defence minister, who have been identified as responsible for atrocities.

Part of the trouble, it seems, is lack of effective liaison between departments. In Bosnia and Somalia the UN's objectives have been defined as humanitarian, yet because military forces are involved the main organisational load falls on Mr Goulding's department. In Angola and Cambodia the political agreements on which the operation is based are falling apart; one might think it was the job of Mr Jonah and Mr Petrovsky, respectively, to prevent this happening, but their departments do not seem to have been sufficiently involved, or at an early enough stage.

Mr Boutros Ghali himself is believed to be unhappy about the way things are working, and may soon attempt a further reorganisation. He has certainly ruffled feathers in the Secretariat by saying repeatedly that until he came to New York he imagined his own country, Egypt, had the worst bureaucracy in the world, but now he knows the UN is even worse.

Yet he would be the last person to suggest that the UN's problems are

purely organisational. In his Agenda for Peace report, published last June, he showed himself aware that there were situations in which traditional peacekeeping is not enough, and suggested the creation of "peace-enforcement units", more heavily armed than traditional peacekeepers and authorised to use force in cases where "cease-fires have... been agreed but not complied with".

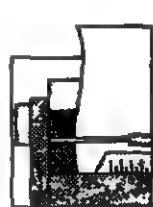
Last September, in his first annual report to the General Assembly, he highlighted the problems that arise when peacekeeping forces have to deal with "non-governmental entities or irregular groups", whose shadowy leaders may sign agreements but either cannot or will not impose compliance on their followers.

As the UN is drawn into more and more internal conflicts within member states, these problems are multiplying. Events in Bosnia and Somalia, especially, have blurred the distinction between peacekeeping and enforcement, between humanitarian assistance and military confrontation. In a different way the same has happened in Iraq, where the UN is still trying to enlist the consent and assistance of President Saddam Hussein's regime in relief operations aimed at helping people it has identified as victims of that same regime, and in some cases at mitigating the effects of sanctions it has itself imposed.

Talking to senior UN officials about Mr Saddam, or about Somali or Bosnian Serb warlords, one can sense that they are uncertain whether to adopt the tone of an affronted authority thumping the table, or that of a patient and neutral "honest broker". The latter pose is one that many of them instinctively adopt, having learnt it during the long years of the cold war when neutrality was the only attitude that allowed the UN any role at all. But arguably the former is more in keeping with the charter, and more appropriate to the role the UN is coming to play in the new world order.

To play that role effectively, the UN needs expanded resources, a more radically restructured organisation, and above all perhaps a clearer definition of its various tasks and how they relate to each other. In all three areas the new US administration, which has advertised its enthusiasm for the UN, should have an important contribution to make. The challenge to President Clinton, and to his UN ambassador, Madeleine Albright, is to find a way of doing that without reinforcing the already widespread view among non-western member states, and among their nationals in the Secretariat, that the western powers have turned the UN into nothing more than an instrument of their own political whims.

The flaws in central bank freedom



The call for an "independent" Bank of England as a remedy for Britain's chronic inflation has become a parrot cry. It deserves more scrutiny than has so far been accorded it.

The Bank is the UK's central bank, but it performs many functions not necessarily associated with a central bank: banking supervision, the management of the government's borrowing programme, the operation of the government's foreign exchange portfolio, and exchange control (when it existed), to mention only four. None of these can be regarded as a necessary responsibility of a central bank, and the independent exercise of them seems not to be in the minds of those who canvas the idea of independence. It is the core function of a central bank which is the issue, viz the provision of short-term

liquidity to the banking system when needed at an interest rate determined by the bank as a deliberate act of policy. The central bank does not, many would say, cannot, determine the money supply growth rate, though it may be able to influence it through its short-term interest rate decisions. Nor can it "ensure the stability of the currency" (pace the Bundesbank's charter), though it can, through monetary policy (the setting of short-term interest rates), have some influence on inflation.

But monetary policy is only one of many instruments of policy which have a bearing on inflation. Government borrowing, taxation, competition policy and public sector pay all have some part to play in the fight against inflation. If beating inflation is so important and the politicians cannot be trusted to give it the priority it deserves, logically we should take out of their hands not only monetary policy but a range of other policies as well.

The idea exists that monetary pol-

icy is different because it is a simple technical operation with a single clear-cut objective and with well-understood and reliable techniques of operation. This is a delusion. It is a matter of great importance for the jobs and standard of living of millions of people. It does not affect only inflation, nor does it affect everyone equally. The nature and

High inflation in the UK has not been only the result of lax monetary policy

degree of its effects cannot be free from doubt and argument.

High inflation in the UK, when it has existed, has not been only or even mainly the result of lax monetary policy - nor do we believe, that monetary policy has been conducted on terms of which the Bank of England disapproved. Simply

changing the system of control or designated priorities of that policy would only marginally contribute to reducing inflation, if other policies were not designed with the same objective. Britain's present policy of controlling inflation rests in effect on maintaining economic activity for the time being at a relatively low level. An independent Bank of England would not remove the central dilemma of that policy - what is to be the balance between high unemployment and inflation. This sort of decision should not be handed over to bankers.

But, the argument goes, what about Germany and the US? The US is not a particularly happy exemplar, its inflationary record over the past decade has been significantly inferior to Japan's, and only marginally superior to that of France, neither of which has more than nominally independent central banks. The German case is, however, regularly mobilised in support of the proposal for independence, but in a way which makes no allow-

ance for all the other factors which have helped that country successfully to fight inflation. Low inflation has not been only, or even mainly, the work of the Bundesbank. Germans are aware of the dangers and costs of inflation from two bitter experiences. The same attitudes which have made them willing to hand responsibility to the Bundesbank would have ensured relatively low inflation if their system had been similar to the UK's.

The Maastricht treaty incorporates the idea of an independent European central bank, and on this ground, if no other, we believe it to be flawed. It was, of course, the central bankers, via the Delors Committee, who put it in.

Bryan Hopkin and Douglas Wass

Sir Bryan Hopkin is a former chief economic adviser to the government and Sir Douglas Wass is a former permanent secretary to the Treasury

Dog-lover renews lead

Where Passat failed, will Kriss break through? He is the pet basket hound of the European Community's new internal market commissioner Ramiro Vanni d'Archirafi, who looks likely to give a renewed lead to the EC's effort to get Britain and Ireland to lift their stringent quarantine rules on pets arriving with visitors from the Continent.

Passat, on the other hand, became a symbol of the force of Anglo-Irish fears of the spread of rabies when as the dog belonging to Dieter Rogalla, a German member of the European Parliament, he was banned from crossing the Channel on New Year's eve.

Rogalla - who was making a deliberate attempt to test the rules which advocates of a pure border-free Europe believe needlessly hamper free movement of the Community's citizens - was stopped before he and his pet could board the ferry at Calais.

The turn-back seemed to confirm Brussels officials' suggestions that the Commission had shelved plans for legislation to loosen the quarantine by such means as the introduction of "pet passports" vouching that animals have a clean bill of health.

But 61-year-old Vanni d'Archirafi, a former Italian ambassador to Spain and Germany, indicated

yesterday that the measure had certainly not been abandoned. Although he had never tried to test the rules, Kriss's owner added, it was perhaps his love of dogs that explained why he'd never been offered a diplomatic post in Britain.

Brussels gossip

Meanwhile a more immediate question for Britain is who will replace Geoffrey Fitchew as head of DG 15, which looks after financial institutions and company law and is the most important part of Vanni d'Archirafi's new empire.

Brussels bureaucrats are supposed to be impartial, of course, but given the dangers adverse EC legislation could pose for the City of London's position as a world financial centre, the UK has always felt it important to have a Brit in the post.

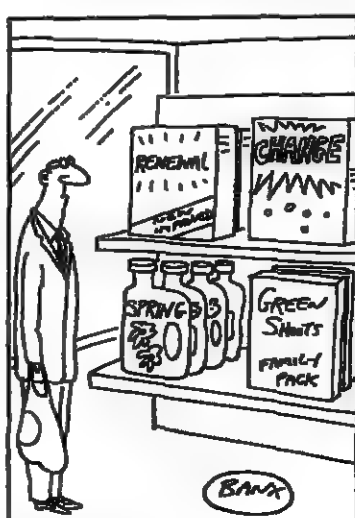
Hence the concern about the replacement for 53-year-old Fitchew. An old Treasury hand, he has been recalled to London to head the European secretariat of the Cabinet Office.

It's said that John Mogg, deputy DG of the internal market directorate, is front-runner.

Call me Bill

President Jimmy Carter didn't suddenly become James E Carter when he stepped into the White House, so what are we to make

OBSERVER



of Bill Clinton's decision to start signing his name as William J Clinton now that he's commander-in-chief?

Admittedly, he's not the first to accentuate his middle initial. James K Polk started the trend in 1845, and although it has tended to be a rather pompous republican habit, there have been some well known initialled Democrats such as Franklin D Roosevelt and John F Kennedy.

The difference this time is that Clinton appears to feel that now he is president he needs a more dignified name for signing treaties etc. On the other hand he still wants to be known as Bill Clinton.

All very confusing. Perhaps WJC will soon trip off the tongue like FDR, JFK and LBJ. At least he didn't resort to signing himself William J B Clinton.

That would have been shortened to WJBC and might have been mistaken for the call signs of any old local radio station.

Prophetafable?

As the ultimate in cutting out the middle-man, Israel's Bezeq phone company is offering a direct line to God via facsimile. Just call Jerusalem 972-612-222 and your fax will be placed in the crevices of Judaism's holy of holies, the Wailing Wall.

The company profits solely from the faxing. Onward delivery is free of charge.

Bond boost

Amid talk of discord between the Bank of England and the Bundesbank, the Old Lady's present deputy governor Eddie George probably took particular pleasure in opening the latest contract on the London international financial futures exchange - a medium-term German government bond contract.

Germany's authorities are already embarrassed by Liffe's domination of trading in German Bund futures, despite frenzied efforts by the country's Deutsche Terminbörse futures exchange to win back

market share.

George harked back to that fateful September Wednesday - tellingly describing it as white, not black - pointing out that trading on Liffe that day had exceeded volume in Chicago, the world centre for futures trading. "Glad to have been of service," he said.

Pizza success

After falling out with his partners PizzaExpress founder, Peter Boizot, appears to have found a way to make everyone happy again. His up-market pizza restaurant group is coming to market through a complex £14.63m reverse takeover, the punters are said to be fighting for shares, and he gets to remain chairman, albeit with some rather strong handcuffs. The deal has established him as perhaps Britain's most successful restaurateur.

No doubt more up-market establishments might sniff at Boizot's success. What with his interest in hockey and jazz, he is a bit of an odd ball. But he certainly understands how to make money out of pizzas.

Signed off

It used to be that a chief executive was presented with a gold watch and on retirement. Now he or she is presented with a faint accomplice.

INTERNATIONAL COMPANIES AND FINANCE

Shuwa stock sales add to Japanese retailers' woes

By Emiko Terazono in Tokyo

JAPAN'S retail sector, battered by a sharp downturn in consumer spending and falling profits, suffered a further blow yesterday when Shuwa, the troubled Japanese stock and real estate speculator, was seen as a forced seller of a number of retail share stakes.

Shuwa is under pressure to sell its stock holdings in order to reduce borrowings. Reports that Shuwa was selling its stake in leading department stores, Isetan and Matsuzakaya, undermined confidence on the Tokyo Stock Exchange, prompting Matsuzakaya to fall by its daily limit of ¥200 or 16.3 per cent to ¥1,020 (\$8.16), while

Isetan lost 16.8 per cent to ¥1,980.

During the boom days of the late 1980s, Shuwa accumulated shares in a range of Japanese retailers for the claimed purpose of restructuring the industry.

However, the company used several of its share stakes as collateral on loans from a leading supermarket operator, Daiichi.

Daiichi, which now faces its own problems following diversification into credit service, real estate and tourism, is pressuring Shuwa to repay its debts.

Shuwa, which has total outstanding debts of ¥850bn, is expected to release 17.2 per

cent of Matsuzakaya shares next month, raising some ¥27bn.

Efforts by Shuwa to raise cash through stock sales could trigger consolidation within the industry through an increase in mergers and acquisitions.

Shuwa has attempted to sell its 29 per cent stake in Isetan, which has a network of 10 stores in Japan, to Ito-Yokado, which owns Southland, the US operator of the Seven Eleven convenience store chain.

Ito-Yokado yesterday said talks over the acquisition of Isetan shares from Shuwa had fallen through, but it was still interested in adding a department store to its group.

Santander raises net income to Pta66bn

By Tom Burns in Madrid

BANCO SANTANDER, the large Spanish bank, raised net income by 11.8 per cent in 1992 to Pta66.1bn (\$585m).

The result gave the bank a 1.1 per cent return on assets during last year and a 20.34 per cent return on equity.

Santander, which is a significant shareholder in Royal Bank of Scotland and First Fidelity Bancorporation of the US, raised the fee income from its domestic banking operations by 21.8 per cent to Pta69bn and restricted the growth of its operating expenses to 3.5 per cent.

In spite of the lowered allocation for depreciation and provisions, Santander has a 101.43 per cent coverage of non-performing loans and remains the best-protected bank in the domestic sector against such losses.

Santander is being investigated over its use of an alleged tax avoidance instrument called loan assignments between 1989-90. However, a judge at Madrid's senior monetary court last week revoked a controversial order that had forced the bank, just before Christmas, to post a Pta5bn bond as security against possible fraud charges.

Caixa de Madrid, Spain's second-largest savings bank, reported pre-tax profits of Pta39.2bn for last year, an increase of 11.5 per cent in 1991, after raising provisions for bad debts by 82.7 per cent to Pta25.1bn.

The savings bank said that the sharp rise in provisioning reflected a cautious policy rather than a significant increase in bad debts.

The latter represented 2.7 per cent of total loans, which is below the banking sector's average.

Caixa de Madrid's branch network grew to 1,136 offices last year following the opening of 134 new branches. Funds under management increased 23.9 per cent to Pta233bn.

Talks over stake in IMI collapse

By Robert Graham in Rome

TWO YEARS of tortuous negotiations for Italy's savings banks to buy a controlling stake in IMI, the Treasury-controlled financial group, have collapsed.

This leaves the way open for Cariplo, the Milan-based savings bank that is the largest such institution in the country, to bid for the Treasury's 50 per cent stake, valued at L4,000bn (\$2,73bn). The government is under pressure to obtain an early sale since the revenues were intended to form the bulk of privatisation proceeds in the 1992 budget.

The deal originally envisaged Cariplo and ICCRI, the savings

banks' umbrella institute, jointly acquiring the Treasury's entire 50 per cent in IMI on an equal basis through a financial holding company, Fincasse.

ICCRI, in view of the L2,000bn price for its 25 per cent in IMI, persuaded the Treasury to make a new offer. This would have involved Cariplo and ICCRI paying L3,500bn for 42 per cent of IMI, split equally in Fincasse.

ICCRI balked at the price, but the deal foundered because the savings banks were convinced that Cariplo intended to have the controlling hand - a concern that surfaced last Wednesday, when Cariplo insisted on having the presidency of Fincasse and giving

this office a double vote on the board.

"ICCRI was being asked to pay the same money but risked being treated as a passive partner," said one banker familiar with the deal. Some also suspect that Cariplo has long wanted to bid for the entire Treasury stake, which would have created Italy's third-largest banking and finance group.

Mr Guido Carli, the previous governor of the Bank of Italy, strongly promoted the sale of IMI to the savings banks, believing there was a natural synergy. The sale also promised to encourage the process of concentration within the fragmented network of region-

ally-based savings banks, of which there are around 80.

IMI is capitalised at L3,000bn and the Treasury has further shareholdings held indirectly through INA, the state insurance institute due to be privatised, and Banca di Roma.

Government officials are playing down suggestions that the Treasury may now seek to arrange a marriage between IMI and BNL, its large commercial bank.

However, the IMI saga underlines the difficulty in Italy of government-arranged "marriages" and the problems ahead in the planned privatisation of the banking sector, which is two-thirds-controlled by the state.

Buoyant Sandoz bucks trend and lifts turnover to SFr14.4bn

By Paul Abrahams

SANDOZ, the Swiss pharmaceuticals and chemicals group, yesterday shrugged off the slow-down in the world economy when it announced turnover up 8 per cent from SFr13.36bn (\$9.5bn) to SFr14.42bn for 1992. The improvement was driven by the pharmaceuticals and nutrition divisions.

Profit figures were not given, but Sandoz said it expected the operating performance of the divisional companies to result in a substantial rise in group

profits. In 1991, the group generated net profits of SFr1.1bn.

Pharmaceuticals sales improved 9 per cent from SFr6.27bn to SFr6.87bn, driven chiefly by prescription medicines. The over-the-counter business also did well, the company said. In local currencies, the rise was also 9 per cent.

Sandoz's nutrition division's turnover rose 13 per cent from SFr1.54bn to SFr1.75bn.

Turnover in the chemicals division increased 4 per cent from SFr2.36bn to SFr2.45bn. Most of the growth was in the Americas and Asia.

The agrochemicals division suffered from the reform of the EC's Common Agricultural Policy. However, the introduction of new products helped sales increase 6 per cent from SFr1.16bn to SFr1.23bn. In local currencies turnover rose 3 per cent. Revenues from the seeds division increased 7 per cent from SFr950m to SFr1.02bn. In local currencies the increase was 3 per cent.

The construction and environment division's turnover improved 3 per cent from SFr1.07bn to SFr1.1bn, despite low construction volume.

Iva chief quits ahead of meeting

By Robert Graham

MR GIOVANNI Gambardella, the chief executive of Iva, Italy's state steel group, yesterday announced his resignation 24 hours before a special meeting called to consider losses in 1992 close to L2,000bn (\$1.38bn).

In a brief note, Mr Gambardella, who presided over the birth of Iva in 1988, said he was making way for new blood having carried out a specific phase in the reorganisation of the state steel business. However, the abrupt nature of his

departure was underlined by a curt statement from IRI, the state holding company that controls Iva.

The statement made no reference to his record in establishing Iva, from the confused remains of the former state-run steel sector centred round Finisider. It merely said an interim board would operate until January 23, when a new management would be considered.

The full extent of Iva's losses in 1992 are understood to have only become known to

IRI very recently. At the beginning of the year, Iva was indicating losses would be in the region of L1,000bn to L1,300bn as a result of a depressed market, high finance costs and low prices in the international steel market. But yesterday IRI officials indicated the figure to be announced today would be close to L2,000bn. This compared with a modest L115bn profit only two years earlier.

IRI stressed Iva's restructuring plan would proceed as planned.

Mediocredito banks on new look

Robert Graham examines the Italian state entity's expanded brief

MEDIOCREDITO Centrale has become the latest Italian state entity to begin the process of transformation into a joint stock company.

But at a time when the Amato government is seeking to radically cut back the state's dominant role in banking, Mediocredito, which specialises in credit for small and medium-size businesses and export finance, will remain firmly in the public sector.

The new look Mediocredito has a strong capital base, and with its expanded brief is likely to become a prominent player not only in Italian banking but also on the international scene, especially raising funds on the money markets.

Traditional activities in export finance and funding small and medium-size companies will be subject to greater transparency. At the same time, Mediocredito is expected to diversify more, developing its merchant banking business.

The latter represented 2.7 per cent of total loans, which is below the banking sector's average. Caixa de Madrid's branch network grew to 1,136 offices last year following the opening of 134 new branches. Funds under management increased 23.9 per cent to Pta233bn.

The board approved the new statutes a month ago for the joint stock company, giving it net worth of L2,181bn (\$1.581m)

and L1,906bn capital. The capital essentially derives from the entity's previous endowment fund which came from direct state contributions.

The board itself, headed by Mr Gianfranco Imperatori, which prepared the change during the course of the year, will remain unchanged. It is now up to the Bank of Italy to give final endorsement to Mediocredito's new status.

Initially, the Treasury will hold all the 190.6m shares with a nominal value of L10,000 but only 95.3m shares will be issued. All Mediocredito's previous obligations will be guaranteed by the Treasury and transferred to the new joint stock company.

According to Mediocredito's projections, it anticipates a net profit of L47bn next year against an estimated L15bn in 1992. Over the next four years it expects the use of resources to grow on average by more than 12 per cent per annum.

Mediocredito is an odd hybrid - part state agency, part medium-term lending institution. In its latter capacity, it provided subsidised credit to banks helping small and medium-size businesses finance modernisation, technical innovation and expansion.

Further, it distributed funds coming from the European Investment Bank and used its

state ownership to raise funds at the most competitive rates, which were in turn used by a network of regional state-controlled medium-term lending institutions - the Mediocredito Regionali. In tandem, it sought to promote the internationalisation of Italian industry through export credit, development assistance funding and joint ventures.

In 1981, Mediocredito's financing of small and medium-sized enterprises amounted to L2,179bn. This mainly consisted of refinancing capital investments, management of guarantee funds and the subsidy of finance to acquire or lease plant and machinery. While maintaining this side of the business - and ensuring it complies with EC competition policy rules - Mediocredito's management wants to take the initiative in easing the heavy burden of debt among small and medium-sized enterprises.

At present, some 85 per cent of their debt is at crippling short term rates. The aim is to provide refinancing packages which encourage both the acquisition of new technology, better management techniques and mergers.

On the merchant banking side, it can now acquire stakes in financial groups and companies with "public interest purposes". Through its subsid-

aries, Sofipa and Lombardia Fininvest, it can promote risk capital ventures.

All these latter activities as well as direct export credit financing, are regarded as non-agency work. As agent for the state, Mediocredito subsidises interest payments on loans used to finance Italian export supply contracts in non-EC countries. Last year this activity amounted to L5,327bn.

In parallel, Mediocredito has since 1987 managed a special fund to finance development aid and assist Italian companies in developing country joint ventures. Such joint ventures must assist the host country's use of resources and improve the balance of payments. Italian companies for their part must, as a rule, put up 50 per cent of the risk capital. In 1991, this activity amounted to L8,694bn covering ventures especially in Egypt but also in Argentina and Brazil.

This is an area Mediocredito is anxious to expand along with greater assistance in the funding of market studies, promotion of export opportunities and aid to overseas sales offices. Mediocredito sees itself as a catalyst in encouraging more small and medium-sized companies to look abroad for market opportunities.

UK food processor bids for fresh produce group

By Andrew Bolger in London

ALBERT FISHER, the food processing and distribution group, yesterday made an agreed cash offer worth £29.3m (\$44.53m) for Hunter Saphir, the fresh produce, herbs and spice company which has seen its share price collapse since 1989.

It is the first acquisition by Albert Fisher since Mr Stephen Walls replaced Mr Tony Miller as chairman in July. Mr Miller built Albert Fisher by acquisition into one of the UK stock market stars of the 1980s, but stepped down after a profits warning caused the share price to drop sharply.

Mr Walls said Hunter Saphir's fresh produce business would make the enlarged group one of the leading suppliers to big retailers such as Tesco and Marks and Spencer. Hunter Saphir also had good links with growers in South Africa and Israel, whereas Albert Fisher had been too focused on South America and southern Europe.

Mr Nicholas Saphir, chairman and chief executive of Hunter Saphir, will join the board as head of a combined European fresh produce division.

Albert Fisher is likely to sell Hunter Saphir's new British Pepper and Spice factory in Northampton and is already aware of significant third-party interest in acquiring it. The factory was rebuilt after a fire in 1989, but has since suffered from a loss of customers and overcapacity.

Hunter Saphir's shares have fallen from a peak of 179p in 1989.

The offer is 42p for Hunter Saphir ordinary shares, which were suspended at 36p on Wednesday, and 100p for the preference shares.

Albert Fisher's shares were unchanged at 69p. The purchaser will also assume about £10m of debt.

The offer has already been irrevocably accepted by shareholders who control 34.1 per cent of Hunter Saphir's ordinary shares and 81.1 per cent of both the A and B classes of preference shares. Those accepting include Perisford International, the commodities and property group, which owns 19.8 per cent of the ordinary shares and all of another class of preference shares.

Schroders is acting for Albert Fisher, while Hunter Saphir is being advised by NM Rothschild.

DTI inspectors report on Suter share dealings

By Angus Foster in London

THE UK Department of Trade and Industry investigation into share dealings by conglomerate Suter and its chairman, Mr David Abell, has found no evidence that these and other parties acted in concert, but has strongly criticised Mr Abell and several associates.

The report calls into doubt some of Mr Abell's evidence, describing it as "inconsistent" or seeking "to mislead". The report also questions the timing of private share purchases by Mr Abell in Suter's potential bid targets, and accused Suter's non-executive directors of failing in their duty to shareholders.

However, the DTI - which ordered the report in July 1988 - said no further action would be taken. "There are not sufficient grounds to take action as a result of this report," it said.

The DTI also declined to comment on a separate investigation into insider dealing. Suter confirmed yesterday it knew such an investigation had taken place but because of DTI rules on confidentiality, the outcome of the investigation was not known.

The concert party investigation stemmed from a television

programme in December 1987 which alleged Mr Abell and connected individuals acted in concert in taking stakes in a number of companies in the mid-1980s, when Suter was growing rapidly through acquisitions. Mr Abell is suing Channel 4 for libel over the allegations, which he denies.

The six companies studied by the inspectors included Metal Closures, an industrial holding company in which Suter built up a 21.3 per cent stake, and James Neill Holdings, a toolmaker.

The inspectors found no evidence in any of the cases of parties acting in concert, although they brought attention to the close relationship between Mr Abell, his stockbroker Coni Gilbert and Sany and other individuals, described as the "David Abell fan club", who followed Mr Abell's business ventures and tips. "We do not consider there to be evidence to suggest this fan club overstepped the mark and became a concert party," the report said.

Suter welcomed the publication of the report, but Mr Nigel Blyth-Tinker, company secretary, said the inspectors made "a number of errors". Background, Page 18

Notice of Payment of Interim Dividend to the Shareholders

P.T. Inti Indorayon Utama

U.S. \$60,000,000

7% Convertible Bonds due 2006 (the "Bonds")

In accordance with Condition 17 of the Bonds notice is hereby given that, at the Meeting of the Board of Directors of P.T. Inti Indorayon Utama held on the 6th day of January, 1993, it was resolved that:

- Interim Dividend for the account year expiring on 31st December, 1992 shall be determined to be of Rp. 80.- (eighty rupiah) for each share.
- This dividend shall be distributed to the Shareholders whose names are registered in the Company's Shareholder Register (non-assignable to any Third Party) until 3rd February, 1993, at 16:00 West Indonesia Time.
- The trade of shares at the Jakarta Stock Exchange and Surabaya Stock Exchange till 26th January, 1993 shall be executed by Cum Dividend and on 27th January, 1993 by ex Dividend.
- Dividend shall be paid as of 22nd February, 1993 to those entitled to by means of sending the dividend cheque to the addresses of the Shareholders, which cheque shall be able to be cashed at Unibank branches throughout Indonesia.
- The Shareholders desiring to receive such dividends via transfer into the Shareholders' own names shall have delivered the notice and shown the original identities not later than 3rd February, 1993 to our Stock Exchange Administration Bureau, P.T. Sinc Datapros Perdana, Jalan Johar No. 18 Menteng, Jakarta 10340, Indonesia.
- In case of change of addresses, the Shareholders shall notify us in writing by mail, and upon showing the original identities not later than 3rd February, 1993 addressed to:

P.T. Sinc Datapros Perdana
Stock Exchange Administration Bureau
Jalan Johar No. 18 Menteng
Jakarta 10340
Indonesia

P.T. Inti Indorayon Utama
The Board of Directors

22nd January, 1993

Notice of Redemption Auto Funding PLC Class A Floating Rate Notes due 1996

NOTICE IS HEREBY GIVEN to the holders of the Class A Floating Rate Notes due 1996 (the "Class A Notes") pursuant to the Trust Deed dated 29th November, 1991 (as amended) between the issuer and the Law Debenture Trust Corporation p.l.c., as Trustee, and the Agent Bank Agreement dated 29th November, 1991 between the issuer and Union Bank of Switzerland (the "Agent Bank") and others that the issuer has determined, in accordance with the Redemption provisions set out in the Terms and Conditions of the Class A Notes, that Available Redemption Funds (as defined in the Terms and Conditions) in an amount of £25,000,000 and will be utilised on 29th January, 1993 (at their principal amount) to redeem (at their principal amount) an equivalent amount of Class A Notes. The Class A Notes to be redeemed have been selected in accordance with the rules and procedures of Euroclear and CEDEL.

AUTO FUNDING PLC
By: Union Bank of Switzerland
As Agent Bank
22nd January, 1993

TSB Hill Samuel Bank Holding Company plc (Formerly Hill Samuel Group plc)

US\$100,000,000 Class A Floating rate notes 2016

For the period from 22 January 1993 to 22 July 1993 the notes will carry a rate of interest of 3.8125% per annum. Interest payable on 22 July 1993 will amount to US\$191.68 per US\$100 note and US\$4,792.10 per US\$250,000 note.

Agent: Morgan Guaranty Trust Company
JPMorgan

WOOLWICH - Building Society - ECU 150,000,000 Floating rate notes due 1996

Notice is hereby given that the notes will bear interest at 10.0875% per annum from 22 January 1993 to 22 April 1993. Interest payable on 22 April 1993 will amount to ECU52.19 per ECU100,000 and ECU2,521.88 per ECU100,000 note.

Agent: Morgan Guaranty Trust Company
JPMorgan

U.S. \$100,000,000 MARINE MIDLAND BANKS, INC. Floating Rate Subordinated Capital Notes due 1999

For the three months 22nd January, 1993 to 22nd April, 1993 the Notes will carry an Interest Rate of 5% per cent, per annum with a Coupon amount of U.S. \$89.06 per U.S. \$100,000. Interest payment date 22nd April, 1993.

Hongkong Bank London Limited Interest Determination Agent

MILLION BANK CORPORATION US \$200,000,000 Floating Rate Notes due 1994

Notice is hereby given that for the interest period from 21 January 1993 to 21 April 1993 the notes will carry an interest rate of 5.5625% per annum.

CHEMICAL BANK

Manufacturers Hanover Corporation U.S. \$100,000,000 Floating Rate Subordinated Notes due 1997

In accordance with the provisions of the Notes, notice is hereby given that the Notes will carry an interest rate of 5% per annum for the period 21st January, 1993 to 21st April, 1993 with a coupon amount of U.S. \$31.25 for the U.S. \$100,000 denomination and U.S. \$3,125.25 for the U.S. \$250,000 denomination and will be payable on 21st April, 1993 against surrender of Coupon No. 31.

By: Bankers Trust Company, London Agent Bank

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¥17,390,000,000 High-High Deposit Receipts due 1994 (the "Receipts")

Issued by The Law Debenture Trust Corporation p.l.c. evidencing entitlement to payments of principal and interest in respect of deposits with Banca Commerciale Italiana (incorporated in the Republic of Italy as a Società per Azioni) London Branch

NOTICE IS HEREBY GIVEN that in accordance with Condition 4(c) of the Receipts the Bank has elected to prepay all of the Deposits at their principal amount together with interest due on 4th March, 1993 (the "Prepayment Date").

Payments in respect of the Deposits will be made on or after the Prepayment Date to the holder of the Global Receipt. Persons shown in the records of Euroclear or CEDEL as the person entitled to a particular portion of the Global Receipt, must look solely to Euroclear or CEDEL as the case may be, for his share of each payment so made to the holder of the Global Receipt.

Bankers Trust Company, London
22nd January, 1993 Agent Bank

SUN LIFE GLOBAL FORTIFOLIO (SEAV) Registered Office: 14, rue Ailhaud, Luxembourg R.C. Luxembourg 827226

DIVIDEND ANNOUNCEMENT

The Board of Directors announces that a dividend has been declared on the Haven Portfolio at the rate of 1.95p per share which will be paid on 11th February 1993 to the respective Shareholders of record of that portfolio as at the close of business on 31st December 1992.

The Board of Directors
31st December 1992

Randstad buys US jobs agency

RANDSTAD, the biggest temporary employment agency in the Netherlands and the fourth-largest in the world, said it had agreed in principle to take over a small agency in Atlanta, Georgia, fulfilling its long-held strategic goal of expanding into the US, writes Ronald van de Krol in Amsterdam.

It gave no financial details, but said that the agency, Temp Force Inc, had 12 offices in and around Atlanta and a full-time staff of 90. The company, which will continue to be run by its founder and sole shareholder, Mr Dewey Sadka, finds temporary jobs for some 15,000 workers a year.

Randstad, which was floated on the Amsterdam Stock Exchange in 1980, said it would use its financial strength and know-how to help Temp Force

expand. The Dutch company has been looking for an acquisition in the US for several years. It already has a large presence in Belgium and France and smaller shares of the UK and German markets.

Vard shares fall on strategy fear

SHARES in Vard, the Norwegian ferry and cruise group, have tumbled by nearly 20 per cent on the Oslo bourse since Monday following reports that its board is divided over a strategy to break up the group, writes Karen Fossli in Oslo.

Vard was also hit by a gloomy forecast from Alfred Berg, a Scandinavian analyst, which Vard executives rejected as unfounded. Vard shares closed down NK2 to NK29.50 (\$4.33) in Oslo yesterday, having started the week at NK37.

The decline has also been spurred by the rejection of an offer of more than NK1bn by a group of investors, led by a Vard board member, to acquire the ferry business. Talks are

said to be still under way. Analysts said Vard's board was split over selling the ferry business, which generates earnings, before disposing of the cruise business. Vard's cruise business accounts for the greatest portion of overall group debt.

The company has repeatedly denied that it has financial problems, but has said that it was working on its companies' financing in order to secure a debt maturity profile more in accordance with the life expectancy of their cruise and ferry fleets.

Dania victim of Danish crisis

DENMARK'S agricultural crisis claimed a new victim yesterday when Dania Holding, the country's largest agricultural machinery group, with 950 employees and a turnover of approximately DKR1bn (\$162m), suspended payments, writes Hilary Barnes in Copenhagen.

Dronningborg, manufacturer of combine harvesters, most of which are produced for sale in Europe by Massey Ferguson. Dania, which is an unlisted company, will try to arrange a financial reconstruction.

State property sale nearer

THE SALE of the portfolio of property assets in the hands of the Italian state came a stage closer yesterday with the establishment of Immobiliare Italia, writes Robert Graham in Rome.

The company, with an initial L7bn (\$4.8m) capital, will manage the valuation and sale of those property assets deemed worth selling. The Ministry of Finance has so far examined 10,000 of the 18,000 potential properties.

Of these, roughly half could be sold, with an approximate value of L1,000bn. Immobiliare will begin with public sector shareholders or those financial institutions with a state stake.

مكتبة الأصيل

Equity underwriting slide depresses Bear Stearns

By Patrick Harverson
in New York

BEAR STEARNS, the US securities house, yesterday reported a 17 per cent decline in second-quarter profits to \$64.3m, the latest indication that the boom in Wall Street earnings slowed down at the end of last year.

The main feature of the quarter, which covered the period from October to December, was a sharp fall in equity underwriting volume, which led to a 34 per cent decline in Bear Stearns' investment banking revenues to \$63.2m.

There was a similar, if less pronounced, setback in trading earnings, which slipped nearly 3 per cent to \$31.6m in the wake of less favourable conditions in fixed-income markets.

Interest income also contributed to the overall decline, falling to \$235.5m, from \$260.3m a year ago.

Bear Stearns' other main line of business, however, put in a strong second-quarter performance. Revenues from broking commissions jumped to \$105.5m, up from \$97.7m at the same stage of fiscal 1992, as a result of higher equity trading volume and an increase in the number of the firm's correspondent clearing clients.

Bear Stearns is the second brokerage firm this week to report lower quarterly earnings because of a downturn in investment banking and trading revenues.

This indicates that business

conditions in the final three months of 1992 were nothing like as profitable as in the first three quarters of last year, when Wall Street firms were firing on all cylinders.

The final three months of 1992, however, may turn out to have been a brief interruption of an upward trend.

The first few weeks of 1993 have opened strongly for the securities industry, with extremely heavy trading of equities, and record levels of new corporate debt coming to the market.

Mr Alan Greenberg, chairman of Bear Stearns, said yesterday: "Business has been good since the beginning of January, and we hope it will continue."

Charges push Texaco lower

By Alan Friedman
in New York

SPECIAL charges resulted in fourth-quarter 1992 net profit at Texaco, the US energy group, declining to \$131m, or \$1.11 a share, from \$134m, or \$1.15, in the corresponding period of 1991. Revenues for the quarter were down marginally at \$2.7m, against \$2.75m.

For the whole of 1992 Texaco's net profit slumped by 45 per cent to \$712m (\$2.37 per share).

This figure, however, included a \$300m charge for changes in accounting principles. Revenues for 1992 were \$37.7bn, down from \$38.5bn in 1991.

Mr James Kinnear, outgoing Texaco chief executive, said that beyond special charges,

the decline in 1992 profits occurred primarily from soft market conditions for refined products, crude oil market conditions and a generally difficult business environment.

But he added that in 1992 Texaco realised cash savings of about \$500m from reductions in operating and overhead expenses.

Texaco said its fourth-quarter operating income before taking the charges was \$141m, up from \$256m in the last quarter of 1991.

Despite tax benefits of \$40m, the fourth-quarter net profit was depressed by special charges. These included a special write-off of \$34m caused by property damage from a fire at Los Angeles refinery and Hurricane Andrew.

In addition, there were \$58m

of payments for staff severance payments and \$64m for charges associated with asset write-downs and reserves for environmental clean-up matters.

Operating earnings from US petroleum and natural gas exploration and production in 1992 were \$543m, down from \$605m. Non-US exploration and production operating profits were \$416m in 1992, against \$421m in 1991.

Manufacturing and marketing operating income in the US was \$76m in 1992, against \$18m in 1991, and \$300m outside the US, down from \$647m in 1991.

Total capital and exploration spending in 1992 was \$3.15bn worldwide, against \$3.57bn in 1991. On Wall Street, Texaco's share price was 8% lower at \$57.75 before the close.

Toyota to create US parts facility

By Kevin Dons, Motor
Industry Correspondent

TOYOTA, the leading Japanese carmaker, is to invest more than \$75m in the US to create a new North American parts operation with the aim of increasing the use of replacement parts purchased in the US to more than 50 per cent by 1995.

Of this sum, \$67m will be invested in a new parts warehouse in Ontario, California, which is planned to begin operations by early 1996. The remainder will be invested in new parts ordering and distribution systems.

The facility, which will be one of the largest Toyota parts centres in the world, will have a stock of around 200,000 different components.

Toyota said that the new organisation would cut the lead-time for supplying parts to its North American distributors from 40 to seven days by moving replacement parts inventories from Japan to the US. Distributors' parts inventory would also be cut by 100m.

Toyota's domestic production of cars and commercial vehicles in Japan fell by 3.5 per cent last year to 3,931,341, the company reported in Tokyo.

Domestic car output declined by only 0.3 per cent to 3,171,311, while truck and bus production dropped steeply by 16 per cent to 760,030.

Overseas vehicle output rose sharply, however, with a 14.1 per cent increase to 784,292 helped largely by the expansion of production in North America.

In Europe, Toyota opened its first car assembly plant in December with the start-up of its £700m plant located in the UK.

Toyota's total vehicle exports from Japan declined marginally by 0.3 per cent to 1,696,206, but of this total car exports rose by 3.6 per cent to 1,269,150. The group's new car registrations in Japan fell by 8.9 per cent to 1,574,308.

McDonnell Douglas held back by C-17 side

By Kevin Dons, Motor
Industry Correspondent

MCDONNELL DOUGLAS, the US aerospace group, expects 1992 earnings to be well below 1991 because of loss provisions in its C-17 military transport aircraft programme and lower earnings from its commercial aircraft segment, AP-DJ reports.

Mr John F. McDonnell, the chief executive, said: "We expect the C-17 programme to be profitable in 1993, as we complete the transition from development into production."

"Except for the C-17 programme, our government aerospace programmes, as a group, had their best earnings in corporate history," he added.

McDonnell said earnings for the commercial aircraft segment, although reduced, were positive. The segment had operating earnings of \$18m in 1992, compared with \$29m a year earlier. Operating income

in the fourth quarter was \$36m compared with \$118m in the 1991 fourth quarter.

The company's total aerospace debt fell to \$2.7bn by year-end 1992. Debt stood at \$2.32bn at the end of 1991.

Excluding pre-tax loss provisions of \$383m recorded on the C-17 programme, the McDonnell's military aircraft segment had operating earnings of \$480m in 1992, compared with \$404m in 1991. Operating income for the fourth quarter was \$151m, against \$79m.

The company's missiles, space and electronic systems segment had 1992 operating earnings of \$230m, compared with \$188m. Fourth-quarter earnings were about even with the year-ago \$48m, although the most recent quarter was negatively affected by a \$29m pre-tax write-off.

Sara Lee hits record

By Laurie Morse in New York

SARA LEE, the Chicago-based food and consumer goods concern, hoisted earnings to a record \$220m, or 44 cents a share, in the second quarter, up 15.9 per cent from last year's \$190m, or 38 cents per share.

Sales advanced to \$3.8bn, also a record and a rise of 8.8 per cent on \$3.6bn in the 1991 quarter.

For the first six months, the group's earnings were \$362m, down from the first half of fiscal 1992 when the sale of the company's European-based over-the-counter pharmaceutical business added a one-time

gain that pushed earnings up to \$453m.

Excluding the gain, first-half earnings per share were 72 cents, up from 68 cents a year ago.

Sara Lee's sales for the first six months of the fiscal year climbed to \$7.4bn from \$6.7bn a year ago.

Operating income from packaged meats and bakery businesses was up 7.8 per cent in the quarter at \$81m, and coffee and grocery earnings were up 8.6 per cent at \$73m.

European volume for retail coffee rose 2 per cent in the quarter and 3 per cent in the first six months of the fiscal year.

Polaroid warns of sharp fall

By Laurie Morse in New York

POLAROID, the US camera and film group, expects to report 1992 operating profit "significantly lower" than in 1991 due to a sharp decline in fourth-quarter European film sales, Renter reports.

Fourth-quarter European sales were hurt by the recession, but worldwide sales held up reasonably well through the first three quarters and, with the exception of Europe, through the fourth quarter.

GE up 6% with boost from power systems

By Martin Dickson
in New York

GENERAL Electric of the US reported a 6 per cent increase in fourth-quarter earnings, helped by an improving domestic economy and strong shipments from its power systems business.

The company made \$1.34bn, compared with \$1.26bn in the same period of 1991. Earnings per share rose 8 per cent from \$1.46 to \$1.57, and revenues rose from \$17.5bn to \$17.8bn.

Mr Jack Welch, chairman, said GE was "better positioned than ever before, with a strong balance sheet, very strong cash-flows and excellent prospects for earnings growth".

In 1992 overall, GE's earnings rose 7 per cent to \$4.72bn, while its share repurchase programme helped lift earnings per share 8 per cent to \$5.51. Revenues rose 3 per cent to \$52.2bn.

GE estimated that earnings from continuing operations, excluding its aerospace division, being sold to Martin Marietta - would show a rise of around 10 per cent.

Mr Welch said the performance in 1992 had been led by double-digit earnings increases at GE Financial Services, Power Systems and Medical Services.

He added that the year's operating highlight was "the increasing ability of the business to turn the rhetoric of 'speed' into reality, as demonstrated by record inventory turnover and productivity of nearly 5 per cent during a period of slow global growth."

"This not only increased earnings but also translated into a record \$5.3bn in operating cash-flow, some \$1.3bn over 1991 results."

Earnings at GE Financial Services totalled \$1.489bn for the year, 18 per cent up on 1991's \$1.275bn. GE Capital, the main financial services arm, saw double-digit earnings growth, and Kidder, Peabody, the securities house, achieved "sharply improved" results.

Westinghouse Electric of the US conglomerate, reported a fourth-quarter net loss of \$1.18bn and full-year loss of \$1.29bn as it took a large and previously-announced charge to cover the disposal of its troubled financial services business.

However, its fourth-quarter net income from continuing operations was also down, due primarily to a decline in earnings at its electronic systems operations and the dilution of earnings per share through a preferred stock issue.

Mr Paul Lego, the chairman, warned the group's first-quarter results might be below those for the same period of 1992, due to lower-than-expected order rates. He said the aim was to have better results for the full 1993 year, with improvement coming in the second half.

The fourth-quarter net loss was \$3.44 a share against profit of \$1.71m, or 51 cents, in the same period of last year. Sales and revenues were little changed at \$2.35bn, against \$2.34bn.

Westinghouse took a special charge of \$1.29bn for the disposal of its financial services business.

Net income from continuing operations in the quarter was \$91m, or 22 cents, against \$137m, or 41 cents a year ago.

For the full year, it reported net income from continuing operations of \$348m, or 93 cents, against \$265m, or 84 cents, in 1991. Its net loss was \$1.29bn, or \$3.81 a share, against a net loss of \$1.09bn, or \$3.46 a share in 1991.

Westinghouse posts \$1.29bn full-year loss

By Martin Dickson

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Amdahl returns to profitability

By Louise Kehoe
in San Francisco

AMDAHL, the US mainframe computer manufacturer, returned to profitability in the fourth quarter and increased revenues by about 27 per cent over third-quarter levels.

Net income for the fourth quarter amounted \$2.5m, or 2 cents a share, on revenues of \$745m. This compared with a net loss of \$12.7m, or 11 cents, on revenues of \$389.9m, in the corresponding period a year ago.

For the full year, the company recorded a loss of \$7m, or 6 cents a share after charges of 11 cents a share to cover costs of a 9 per cent reduction in workforce completed in November.

In 1991, Amdahl reported net income of \$10.8m, or 10 cents per share, including a tax credit of 6 cents.

Revenues for 1992 rose 48 per cent to \$2.5bn from \$1.7bn in 1991.

The rise in fourth-quarter revenues reflects the normal cyclical pattern in which the largest number of mainframe computer purchases were typically made near year-end, said Mr Joseph Zemke, Amdahl president and chief executive.

Sales of data storage products also increased substantially, he added.

Mr Zemke noted, however, that prices have been under competitive pressure for much of the year, cutting into profit margins.

He remained guarded in his outlook for 1993, particularly the first quarter which is generally the weakest quarter of the year.

● Tandem Computers announced a 6 per cent increase in first-quarter revenues, which rose to \$483.9m. Net income was \$17.5m, or 16 cents per share, including a gain of \$12.4m, or 11 cents, from a change in accounting for income taxes.

In the same quarter a year ago, the company reported a net loss of \$94.6m, or 88 cents a share, after a pre-tax restructuring charge of \$96m.

Marketing sales and general expenses declined for the first quarter, Tandem said. As well as continuing to cut costs, it is considering finding partners to invest in some of its subsidiaries.

Obstacles beset PC manufacturer

Borland faces growing competition and a price war, writes Louise Kehoe

JUST a year ago, Borland International was one of the fastest-growing companies in the personal computer software industry.

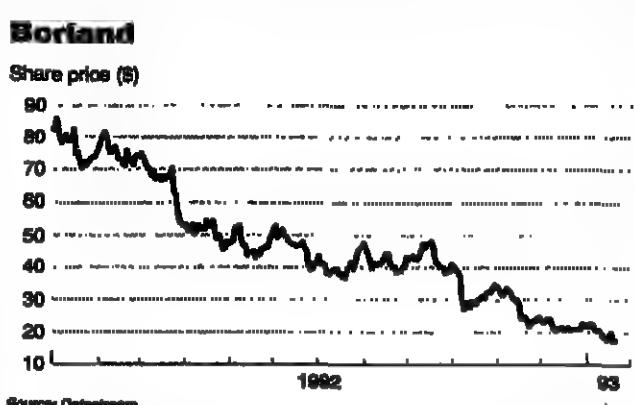
The Scotts Valley, California, software developer had cemented its leadership in the database management program market with the acquisition of Ashton-Tate, and expectations were high for several new products.

Today, with some of these products still yet to be delivered, Borland is facing mounting competition and its growth has ground to a halt. The company's stock, which reached a peak of \$86 in January 1992, has been trading this week at under \$18 after disappointing third-quarter results.

On revenues down 9 per cent at \$104.3m, Borland reported losses of \$61.3m, or \$2.34 a share, compared with net profits of \$7.5m, or 28 cents, in the same period last year. The results included charges of \$34.8m for 360 job cuts announced in December, consolidation of facilities, and inventory write-downs.

Borland is now engaged in a potentially crippling price war with PC software market leader Microsoft and other competitors as it makes a long-delayed entry into the market for applications programs that run with the popular Microsoft Windows software.

The delays have cost Borland dearly, forcing it to sit on the sidelines as sales of Windows



applications programs soared to an estimated \$2.9bn last year, an increase of 238 per cent over 1991, according to a market study published this week by Dataquest, the US market research group.

To make matters worse, when Borland finally launched a Windows version of Quattro Pro, its spreadsheet program, in September, the company blundered by packaging the new program with an existing DOS version of Quattro Pro.

The bundled software was supposed to appeal to a broad range of users, including those who use either Windows or DOS. But Borland has since acknowledged that instead it caused confusion. It withdrew the package in December and relaunched Quattro Pro for Windows as a separate product at a steeply discounted price.

Third-quarter revenues were reduced by \$10.7m, the company said, because retailers would receive rebates on their earlier purchases of the Quattro Pro product.

The price battle began in November, when Microsoft invaded Borland's most prized territory, the market for database management programs, with the introduction of Access, a PC database program for use with Windows. Offered at an introductory price of \$99, about one-fifth of the price of Borland's established database products, Access has taken the market by storm and Microsoft expects to sell 750,000 copies by the end of this month.

Firing back, Borland has announced a new "introductory price" for Quattro Pro Windows of \$99, down from \$495.

The company also said that when it finally begins shipping

Paradox for Windows, the first of two new database management programs, it too will be heavily discounted to \$149 for 90 days.

"Borland is celebrating its two-pronged entry in the Windows market with this promotion," said Mr Philippe Kahn, chairman, president, and chief executive.

Financial analysts, however, are already counting the cost and lowering estimates for Borland's fourth-quarter earnings.

In the longer term, it appears the "introductory prices" being offered by Borland and Microsoft could establish new expectations among customers for downward price trends like those for PC hardware.

Software developers may have a difficult time persuading buyers to pay higher prices, analysts warn.

While the price war wages, Borland is also battling in the courts with Lotus Development. Last year, Lotus won a copyright infringement suit filed against Borland in July 1990, forcing Borland to cut certain features out of its Quattro Pro products. Last week, however, Lotus charged that the revised versions of Quattro Pro still infringe its copyrights.

Borland is confident it will ultimately prevail in the dispute. However, if Lotus wins then Borland may be forced to pay damages, possibly amounting to millions of dollars.

Weak demand hurts Monsanto

By Karen Zagor in New York

MONSANTO, the US chemicals group, yesterday posted underlying fourth-quarter profits which tumbled to \$12m from \$51m, but the company's balance sheet was cluttered with special items which brought net income to \$141m, or \$1.14 a share.

Mr Richard Mahoney, chairman and chief executive, said: "Undeniably, 1992 was a difficult year in which to operate."

The company has been hit by low prices and weak demand for chemicals and by a poor performance by its Searle pharmaceutical business.

During the 1992 quarter, Monsanto took an after-tax restructuring charge of \$425m, or \$3.44 a share. This was more than offset by a gain of \$654m, or \$4.49, from the sale of its Fisher Controls unit.

A year earlier, Monsanto had net income of \$68m, or 53 cents, on sales of \$1.86bn. Earnings included \$15m from Fisher Controls.

Sales in the 1992 quarter slipped 1.6 per cent to \$1.86bn, while the cost of goods sold rose 12.5 per cent to \$1.26bn, leaving Monsanto with a 21.6 per cent decline in gross profit to \$603m from \$769m.

For the full year, Monsanto had a net loss of \$88m, or 71 cents, on sales of \$7.8bn, against net earnings of \$396m, or \$2.33, on revenues of \$7.9bn.

In 1992, Monsanto adopted new accounting standards for a cumulative charge of \$540m. Income was further reduced by special charges of \$47m.

Restructuring charges in

1991 reduced after-tax earnings by \$325m, or \$2.54.

Monsanto, which is cutting about 3,200 jobs, mainly at Searle, said Searle's underlying operating income fell in the quarter after stripping out charges of \$265m for cost cutting.

The company said underlying operating income for its agricultural group increased significantly in the fourth quarter, led by improved sales of its Roundup herbicide.

Underlying operating profits from its chemical group declined in the latest quarter, reflecting weak industrial demand and disappointing prices and sales volumes in Europe.

On Wall Street, shares in Monsanto fell 1 1/2 to \$50 1/2 before the close.

Bowater loss blamed on poor prices

By Martin Dickson

BOWATER, the US newsprint manufacturer, has incurred a \$20.9m fourth-quarter net loss, which it blamed on poor prices in its main markets.

It forecast that 1993 would be better than last year, but still difficult.

The loss, which worked through at 50 cents a share, on sales of \$398.9m, compared with income of \$1.6m, or 2 cents, on sales of \$325.9m in the same 1991 period.

For 1992 as a whole, the company suffered a net loss of \$1.49bn, against net income of \$45.6m, or \$1.15 a share, on sales of \$1.29bn in 1991.

The 1992 results are not directly comparable with the previous year, since they include Great Northern Paper, which Bowater bought at the end of 1991.

Mr A.P. Gamble, chairman, said newsprint prices remained at unprofitable levels, while currency problems and the economic slowdown in Europe had resulted in a significant drop in market pulp export prices.

He noted signs of a continuing pick-up in newsprint demand which should "produce improvements in operating results by the fourth quarter of 1993 and beyond."

Anglo-American lifts profits

By Patti Waldmeir
in Johannesburg

ANGLO-AMERICAN, the world's largest gold producer, increased attributable profits at its gold operations by 33 per cent to \$202.7m (\$66m) in the December quarter from the preceding three months to September.

Gold production rose 2 per cent to 66,399kg, while average revenue for the quarter was \$34,040 per kg, a 3 per cent rise from the previous quarter. Average unit costs were reduced by 1 per cent to \$26.387 per kg.

Announcing the group's results, Mr Clem Sumter, chairman of the gold and uranium division, said he was bullish about gold price prospects. He noted that large sales of gold reserves by the Dutch central bank had failed substantially to depress the price at the end of last year, adding: "We think that's a sign that the gold market is likely capable of absorbing quite large tonnages of gold."

He believed further sales of gold reserves would keep the price in a narrow band until the end of the year, when he expected a "considerable improvement". "There should be a genuine long-term upward shift in the gold price towards the end of the year as the

world economy improves," he said.

Mr Lionel Hewitt, the division's managing director, said Freegold's 35.8 per cent increase in attributable profit, which rose to \$75.5m, was driven by an increase in gold production and higher revenue.

Vaal Reef recorded a 7.7 per cent rise in attributable profit for the 1992 year, rising to \$212.2m. Production and revenues were flat, but costs were slightly down, yielding the profit increase.

At Western Deep Levels, attributable profit for the year to December fell by 30.1 per cent to \$86.4m.

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All-round gains boost returns at Union Pacific

By Kevin Brown in Sydney

UNION PACIFIC, the US railway and resources group, expects increased earnings in 1993, Renter reports.

It said all four of its operating companies reported significant gains in 1992, and two achieved record results.

Fourth-quarter earnings were \$192m, or \$0.94 a share, on revenues of \$1.92bn, against \$164m, or \$0.80 cents a share, on revenues of \$1.80bn last time.

Year-end earnings came out at \$728m, or \$3.57, on revenues of \$7.29bn, compared with \$64m, or 31 cents, on revenues of \$7.03bn.

Alcan Australia reports third consecutive deficit

By Kevin Brown in Sydney

ALCAN Australia, a 73 per cent owned subsidiary of Alcan Aluminium of Canada, yesterday announced its third consecutive annual loss and forecast further difficulties in the current year. The board said it would pass the dividend for the second consecutive year.

Alcan said it made a net loss of \$A15.5m (\$US10.6m) for the 12 months to the end of December, compared with a loss of \$A28.9m in the previous year. Revenue was down from \$A590m to \$A570m despite a 3.7 per cent rise in sales volume.

The group made a pre-tax profit of \$A1.2m, compared

with a loss of \$A29.2m in the previous year. It said the improvement reflected efficiency improvements and cost-cutting.

However, the return to profit was offset by a loss of \$A17m on currency translations caused by the effect on the group's US dollar loans of a fall in the value of the Australian dollar to 68.88 US cents from 74.77 cents.

Alcan said no improvement in aluminium prices was expected in the short term.

"We expect 1993 to be a difficult year, but intend to make further progress in improving costs and competitiveness," the board said.

PTTEP to lead Thai privatisation drive

By Victor Mallot
in Bangkok

PTT Exploration and Production, part of the state-owned Petroleum Authority of Thailand (PTT), will lead a 1993 privatisation drive by Thai companies involved in the oil business when it offers shares to the public over the next few weeks.

PTTEP wants foreign investors to buy a substantial number of the new shares, and there will be "roadshows" in Hong Kong and London in mid-February to publicise the forthcoming flotation on the Stock Exchange of Thailand.

"It's the first privatisation

from here in recent years to have a specific portion targeted at the international investor," said Mr Tira Wannamethee, director of Barclays de Zoete Wedd in Thailand. BZW and Goldman Sachs are lead co-ordinators and advisers for the offer.

On offer are nearly 40m shares, representing 15 per cent of the company's enlarged share capital. Of these, 34m are being set aside for Thai and foreign investors, 16m for foreign investors, although the foreign portion could be reduced by 4m if domestic demand is exceptionally high.

The price will not be set until about February 22, but it

is thought that PTTEP is seeking to raise between \$1.2bn (\$47m) and \$1.5bn, which suggests a price of around \$25 a share and values the company at more than \$800m.

PTTEP shares should be listed on the SET in April. Other oil-related companies hoping to come to the market are Thai Oil and Bangkok Petroleum, both refineries, and the 51 per cent state-owned National Petrochemical Corp.

"Oil is the biggest industry in Thailand and completely unrepresented on the market," said Mr Ted Pulling of brokers W.I. Carr in Bangkok.

PTTEP has stakes in three projects already producing oil and gas in Thailand, and in the development of the Bangkok offshore gasfield. The company is also exploring another offshore bloc together with British Gas and negotiating with Total for a share in the development of Burma's offshore Martaban gasfield.

Another tranche of the company is likely to be sold to the public in a couple of years, as cash-flow improves and debt is reduced with the help of the expected revenue stream from Bangkok. In 1991, total revenue rose to \$1.29bn from \$1.29bn in 1990, while net income fell to \$247m from \$283m.

UAL plans to raise \$1.5bn

By Patrick Harverson

TAKING ADVANTAGE of new Securities and Exchange Commission rules that allow companies more flexibility in registering securities offerings, UAL and its subsidiary, United Airlines, announced plans yesterday to raise as much as \$1.5bn through sales of new debt, equity and other securities.

UAL said the money would be used for general corporate purposes, including the repayment of outstanding debt and the financing of capital expenditures by United Airlines.

In the joint shelf registration statement, UAL said it would raise the funds through any combination of debt securities, debt warrants, and equipment trust and pass-through certificates of United Airlines, and of convertible debt, preferred stock, convertible preferred stock and common stock of UAL.

PizzaExpress ready for the market

By Paul Taylor

PIZZAEXPRESS, the pizza restaurant chain founded by Mr Peter Bolzot, is coming to market as expected through a reverse takeover by the Star Computer Group.

Star Computer, the shares of which were suspended at 47p just before Christmas, is acquiring PizzaExpress and G&F Group, its largest franchisee, in a cash, new shares and loan note deal worth a total of £14.63m.

The deal, which includes £11.3m for PizzaExpress itself, has already received an enthusiastic response from institutional shareholders according to Greig Middleton, the brokers to the deal.

The brokers claimed yesterday that a placing of 24.45m new shares at 40p a share to raise £9.8m to help fund the acquisition has been oversubscribed ten times.

Under the terms of the complex deal, structured to meet

the differing requirements of the vendors, £4.54m of the acquisition price will be satisfied by issuing new shares to the vendors at 40p a share.

The cash and loan note element will be financed out of the proceeds of the 24.45m share placing of which 19m shares will take the form of a vendor placing.

A further £4.1m is being raised by a 3-for-2 rights issue for Star Computer shareholders underwritten by Hill Samuel. The proceeds will be used to pay the expenses and repay borrowings of the enlarged group, which will be renamed PizzaExpress.

Mr Bolzot and his partners set up the first PizzaExpress restaurant in London in 1985. It has grown into one of the most popular pizza restaurant chains and catering groups with 13 owned restaurants and 52 franchised outlets. In the year to June 28 it made an operating profit from continuing

activities of £1.5m on turnover of £16.2m.

The G&F Group, which is being acquired for £3.04m, operates nine PizzaExpress restaurants and is run by Mr David Page.

Turnover for the year to December 31 1991 was £4.72m and generated operating profits of £760,000. In the nine months to September 27th it recorded £510,000 operating profit on turnover of £3.47m.

On an historic pro forma basis, the new enlarged PizzaExpress group, which will also include Star Computer's operations, generated operating profits of £2.4m on sales of £28.4m.

Star Computer, which supplies software and services to specialist markets, also reported its interim results yesterday.

The group posted pre-tax profits of £55,000 (£240,000 loss) in the six months to December 31 on turnover of £3.79m (£3.47m).



Peter Bolzot: set up the first PizzaExpress restaurant in 1985

Christmas boost for London Scottish

By John Gapper, Banking Correspondent

A RISE in the number of families ensuring they would have a Christmas turkey with trimmings despite the recession, helped push up pre-tax profits of London Scottish Bank, the consumer loans and debt collection group, by 23.5 per cent.

The bank made a surplus of £2.85m in the year ended October 27 1992, compared with £3.11m, despite a £200,000 increase in its bad debt charge to £2.3m.

Income from Christmas hampers grew 33 per cent to £1.16m, and commission from debt collection rose 26 per cent to £3.51m.

Mr Jack Livingstone, chairman, said the increase in hamper sales reflected a marketing drive, and the fact that customers wanted to make sure of their Christmas lunch.

"People feel the need for security in a recession," he said.

Consumers buy hampers by making weekly contributions to a collector from the start of the year. The business was originally concentrated around Manchester and Leeds, but has been spread to other areas.

Mr Livingstone said the growth in revenue from hampers and debt collection had helped to balance a static level of income from consumer loans, which slipped from £19.07m to £18.96m.

He said the bank had raised profits despite the poor consumer loans market because it could switch its 800 employees to businesses such as debt collection, which thrived in recession.

Profit before financing the £37.6m net loan portfolio rose 8.5 per cent to £6.5m (£5.9m).

Finance costs fell to £2.62m (£2.84m), helped by the fall in base rates, and higher hedging of borrowings.

Earnings per share worked through at 5p (4.7p). The final dividend is 2.05p for a total of 3p (2.75p).

Sharp decline to £0.4m at London & Clydeside

By Jane Fuller

SHARP reductions in profits from house building and commercial property development has left London & Clydeside, the USM-quoted Scottish concern, with only £404,000 profit before tax and the final dividend is halved.

The profit for the 12 months to September 30 1992, plummeted from £1.82m previously. The final dividend is cut to 2.7p (5.2p), reducing the total from 7p to 4.5p. That was uncovered by earnings per share of 2.5p (14.9p).

Mr Norman Chalmers, chairman, said: "We can't see any secure upturn in the housing market." He expected the outcome for the first half of the current year to be similar to last year, when there was a pre-tax loss of £120,000.

There was some question of whether the interim dividend would be maintained at 1.8p.

However, "we hope at least to hold the total".

Operating profit fell to £1.98m (£3.38m) on turnover of £22m (£21.4m). House-building made about £18m sales, but profits were £600,000 down.

Mr John McIntyre, managing director, said two up-market sites increased the average price to £79,000 (£75,000). But volume was about 10 per cent down. Newer ranges included terraced houses at less than £40,000 each, which it was hoped would push up unit sales.

Development profit fell from £900,000 to £200,000. The sale of one building to a government department had been delayed, although it was hoped it would come through this year.

Rental income from the £4.5m property portfolio remained flat at about £450,000. Gearing edged up to 100 per cent on net debt of £11m.

Unclear outlook after Bass's seasonal cheer

By Philip Rawston

BASS, the UK's leading brewer, recorded a general improvement in its beer and pubs businesses during the Christmas trading period, Mr Ian Prosser, chairman, said yesterday.

"It is not yet clear whether this improvement will persist through January and beyond", he told shareholders at the annual meeting.

Because of the volatility of trading in the October-December quarter, it was also too early to draw conclusions about the outlook for the year as a whole.

Over Christmas, Bass recovered most of the beer volume decline of the first two months. Free trade sales volume was running nearly 5 per cent above the same period last year and total volumes were only 0.5 per cent lower.

Mr Prosser, who led a Brewers' Society delegation to the Treasury earlier this week, again expressed concern about the possible impact of

increased cross-Channel imports if the government did not make some move towards duty harmonisation.

Beer imported by holiday-makers and cross-Channel shoppers last year accounted for about 8 per cent of the UK take-home trade, he said.

A new system of duty collection to be introduced in June would cost the company £10m in a full year, he added.

Bass sold another 37 pubs to meet the November 1 deadline on its disposal of 2,740 outlets to comply with the government's beer orders. Total disposal proceeds since July 1989, amounted to nearly £445m, Mr Prosser said.

Liquor sales in the company's managed pubs were 2 per cent ahead of last year on a pub-by-pub basis. Food sales had increased, but beer volumes were 1 per cent down.

Holiday Inn occupancies were improving in the US, but room rates had shown little growth.

The leisure businesses continued to perform solidly.

Life business rise at Sun Alliance

By John Authers

SUN ALLIANCE, the insurance group, announced increased new UK life business for 1992 yesterday. Total annual premiums fell slightly, from £75.5m to £74.5m, while single premiums increased by 71 per cent to £56m.

Annual premiums were harmed by a fall in mortgage-related endowment sales, from £19.78m to £18.47m, while single premiums were boosted by sales of pension annuities, which more than doubled from £109.3m to £288.3m.

Business outside the UK was helped by the depreciation in sterling, and rose from £76m to £113m. This included a rise in annual premiums

from £39m to £54m.

London and Manchester Group, the life assurance group, announced a 2 per cent increase in new life business for 1992.

Annual premiums fell, in line with the industry trend, by 18 per cent to £41.3m, while single premiums increased by 93 per cent to £220.3m.

The company attributed the poor annual premiums figure to a significant reduction in the life broker division network, and said rising unemployment was "likely to limit the prospects for immediate recovery in 1993".

Growth in single premiums came mainly from personal pensions and transfers from company schemes.

Lower bad debts lift TSB Scotland

By James Buxton, Scottish Correspondent

TSB BANK Scotland, an offshoot of the TSB group, increased its annual pre-tax profits by a little more than 3 per cent in the year to October 31 1992, in what Mr Alastair Dempster, chief executive, called "a very difficult economic climate".

After provisions for bad and doubtful debts down from £14.7m to £8.7m, pre-tax profits were £79.4m (£78.9m). Oper-

ating profit before the provisions fell slightly from £91.6m to £88.2m.

The Edinburgh-based company said revenue suffered from the introduction of lower margin savings products, necessary to remain competitive. The cost-income ratio rose from 62.8 per cent to 64.5 per cent because of the decline in income, although costs were held down.

Mr Dempster said that the bad debt provision was more in line with the normal level. The

1991 charge had been exceptionally high because of two large items.

TSB Bank Scotland focuses on lending to individuals and is one of the top mortgage lenders in Scotland. It also does commercial lending, while new corporate lending is handled by TSB's Hill Samuel subsidiary. Total assets rose over the year from £2.65bn to £2.6bn.

Mr Dempster was cautiously optimistic about prospects for the coming year.

| Prices for electricity delivered for the purposes of the electricity pooling and sufficient arrangements to be made by the pooling parties to meet the requirements of the Electricity Act 1989. | | | |
|--|-----------------|-----------------|-----------------|
| Purchased Price for the Pool Price by Trading on 18.12.92 | | | |
| 12 month period | 12 month period | 12 month period | 12 month period |
| 12/92 | 18.12 | 18.12 | 18.12 |
| 01/93 | 21.26 | 21.11 | 21.11 |
| 02/93 | 27.26 | 26.11 | 26.11 |
| 03/93 | 27.26 | 26.11 | 26.11 |
| 04/93 | 27.26 | 26.11 | 26.11 |
| 05/93 | 27.26 | 26.11 | 26.11 |
| 06/93 | 27.26 | 26.11 | 26.11 |
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COMPANY NEWS: UK

Law Lords rule on Channel tunnel dispute

By Andrew Taylor,
Construction Correspondent

THE Law Lords yesterday refused to grant Eurotunnel an injunction preventing Channel tunnel contractors from walking off the £2bn project unless they are paid more money.

Transmanche Link, a consortium of five British and five French construction companies, before Christmas hinted that the opening of the project might be further delayed if agreement over payments could not be reached.

The opening, originally planned for this May, has been put back until December because there will be insufficient locomotives and rolling

stock to run a full service until Autumn 1994.

Contractors, in a carefully worded statement in December, reminded Eurotunnel that it would require "a strong co-operative effort" if the project was to be completed speedily. It was not clear yesterday what bearing the Law Lords' ruling would have on the contractors' actions given that they could still be sued for substantial damages if it was proved that they had breached their contract.

The construction companies want Eurotunnel to improve its offer to pay an additional £1.2bn, of which £200m would be paid in some form of equity such as convertible loan stock.

Eurotunnel asked the courts to grant an injunction in November 1991, after Transmanche threatened to halt work on installing a cooling system in the tunnel unless it was paid enough to cover the cost of the work.

Lord Mustill ruled yesterday that the contract between Eurotunnel and Transmanche already provided a disputes procedure which had yet to be completed. This did not prohibit the granting of an injunction but the Law Lords felt this would unfairly disadvantage the contractors as any arbitration on their claim was unlikely to be resolved until long after the work had been completed.

GPA to send debt proposals to banks

By Robert Peston,
Banking Editor

FORMAL proposals to reschedule \$1bn (\$600,000) of GPA's \$6bn debt are expected to be sent today to the aircraft leasing company's 100 bank creditors.

The proposals, drafted by the company with the help of its lead bank, Citicorp of the US, contain details of plans to raise \$200m of new equity for GPA.

The document will also say that agreement has been reached with aircraft manufacturers, Boeing, McDonnell Douglas and Airbus Industrie, to defer or cancel orders worth more than \$5bn placed by GPA.

When it began negotiating with banks in the late autumn, GPA had hoped to agree the rescheduling by the middle of January. The group's leading bankers said yesterday that they were now hoping for agreement by the end of February.

"The process is very much on the rails," said a banker. There had been no serious hitches, but agreement had to be reached with so many different institutions that the process had taken longer than expected.

He added that GPA hoped to raise the new equity from existing shareholders and other investors within 90 days of the banks reaching agreement on the debt rescheduling.

Nomura, the Japanese securities house, would be asked to play a leading role in raising the equity, the banker said, despite the failure of last year's attempts led by Nomura to raise equity for GPA.

Bankers would have been unwilling to reschedule GPA's debt, without a reduction in its commitments to aircraft manufacturers.

The company faced a cash flow crisis because of its commitments to buy aircrafts at a time when it is difficult to persuade airlines to lease them, due to the worldwide recession.

Bankers said GPA faced the greatest difficulties persuading McDonnell Douglas to agree to change its contracts.

Inspectors strongly criticise David Abell and fellow directors DTI report clears Suter chairman

By Angus Foster

SHARES in Suter, overshadowed for five years by the DTI investigation, yesterday rose 6p to 125p as the report finally seemed to clear Mr David Abell, chairman, of breaching section 204 of the Companies Act in relation to concert parties.

However, the implications of the report for Suter are by no means clear cut. Mr Abell and his non-executive directors are strongly criticised, and questions are raised about whether Mr Abell is too powerful within the company.

The inspectors, Mr David Evans and Mr Brian Worth, reserve their strongest criticisms for the 1986 and 1987 purchases by Mr Abell and Suter of shares in Metal Closures. The inspectors question Mr Abell's evidence that a memorandum dated January 1987 detailing purchases of shares in Metal Closures should have been dated January 8, the same day

Suter started buying shares. "We look upon this memorandum with a great deal of scepticism and cannot accept it was sent on 8 January 1987," the report said.

The inspectors said they found Mr Abell's explanations for why he bought shares in Metal Closures for himself and for Suter "confusing". They also said they found Mr Abell's statements in the memorandum and in later evidence were "inconsistent".

Suter's non-executive directors at the time are strongly criticised, especially Mr John Rimington, who remains on the Suter board. The inspectors accused Mr Rimington of ignoring advice from Robert Fleming, Suter's financial adviser, which advised that Mr Abell should sell his private shares in Metal Closures for no profit.

"There was no meeting of the non-executive directors and the matter was not discussed at a board meeting. The minor-

ity view of Rimington prevailed because that was the course desired by Abell," the report said.

The inspectors said they had been told Mr Abell's investment activities were not controlled by the board. Mr Abell was therefore able to buy, on behalf of Suter, up to 15 per cent of another company without main board authority. "We believe that the non-executive directors failed in their duties to their shareholders by allowing their assets to be managed in this manner," the report said.

In the case of James Neill Holdings, in which Mr Abell and Suter bought shares in 1984, Suter failed to disclose a 5 per cent stake - as the Companies Act then required - for at least a month after the trigger had been passed.

With Francis Industries, which Suter acquired in 1984, the inspectors found no evidence of parties acting in concert. But two share purchases, from Geneva-registered compa-

nies Brollet and Sterling Trust, are unclear because these companies refused to divulge the ultimate beneficiaries of the shares.

Other individuals singled out for criticism include Mr Michael Somerset-Leake, senior partner of Mr Abell's stockbroker CGS, and controlling shareholder of Winchmore, in which Mr Abell also held a stake. In the case of Metal Closures, Mr Somerset-Leake is criticised for "buying what was tantamount to a personal stake" when he knew Suter was starting to build a holding.

"As seen in other companies, Somerset-Leake and his clients were avid members of Abell's 'fan club'," the report claims.

The inspectors recommended laws on concert parties should be tightened up to cover relationships such as that between Mr Abell and Mr Somerset-Leake, where no legally binding obligation exists but their actions are similar to a concert party situation.

Colefax & Fowler falls into the red

By Matthew Curtin

COLEFAX & Fowler Group, the upmarket wallpaper, fabric and furnishing group, fell into the red in the six months to October 31, turning from pre-tax profits of £505,000 to losses of £192,000.

The shares fell 10p to 33p, a far cry from their 180p high in 1989-90 when pre-tax profits peaked at £2m.

Mr David Green, chairman, said the period was "a little gloomy but the worst is behind us".

Although there were few signs of a turnaround in trading conditions, the interim losses were said to be no more than a hiccup, and the balance sheet was strong.

Turnover declined from £14.8m to £13.9m. Losses per share were 0.70p, against earnings of 2p, and the interim dividend is reduced from 1.3p to 0.5p.

Sales in the US, responsible for 50 per cent of turnover, had been weak, although business in December was stronger, and the group's decorating operations had suffered in particular.

"The UK market is still tough and Europe is not encouraging," Mr Green said.

Jane Churchill, the mid-price wallpaper and fabric brand, was showing improved sales, and the devaluation in sterling would help sales on the Continent and in the US.

However, only renewed confidence in the housing market would restore the growth, as sales were largely dependent on people redecorating their homes as they moved house.

Roger Shute buys 4.4% of GM Firth

By Jane Fuller

MR ROGER Shute, whose illness-related departure from BM Group sparked the collapse of its share price last summer, has bought a 4.4 per cent stake in GM Firth, the steel company.

The news prompted a sharp rise in Firth's share price from 10p to 14½p yesterday.

Mr Shute, who has spent several months recuperating from smoking and stress-related lung disease, said: "It's an interesting little company". He thought Mr Michael Wilkinson, the chairman and chief executive, was a man to follow, although the two had never met.

Mr Wilkinson said that Mr Shute would without any doubt be a candidate for a non-executive directorship. The interim results and news about the heavily-indebted company's future should be announced in the next two weeks.

In November 1991 Mr Wilkinson bought a 31 per cent stake in Firth from the then chairman Mr Ian Wasserman, a former aide to Mr Jim Slater. Mr Wilkinson's brother Howard also joined the board. Neither brother has taken a salary from Firth and a personal loan of £250,000 has been made to the company.

After last autumn's sale of a 23 per cent stake in Arthur Lee for about £2.4m, borrowings were cut to less than £2m and a banking agreement extended.

Firth lost £4.86m in 1991-92 and recently emerged from a five-month strike over manning and working practices.

Mr Shute's only contact with the company so far has been to notify it of his stake. He has spent about £130,000 on 1.45m shares. He said that although he was not contemplating returning to 16-hour days, he would like to take on two or three non-executive directorships.

He remains president of BM, the industrial holding company which turned over £515m last year.

Investment income decline hits PWS

The effect of lower interest rates on its investment income was cited by PWS Holdings, the Lloyd's insurance and reinsurance broker, as a material factor behind its reduced results.

The pre-tax figure for the year to September 30 fell 23 per cent from £2.86m to £2.21m on turnover of £14.7m (£14.8m).

Trading expenses for the year fell to £14.8m (£15.9m). The reductions accrued from cost control and also from the closure of Fryer Cheasley Light.

The final dividend is maintained at 2.5p for an unchanged total of 4p on earnings per share of 8.7p (8.2p). A scrip alternative is planned.

Christmas sales growth for Burton

Burton Group, the fashion retailer, said yesterday it had a broadly encouraging Christmas, with sales growth of 14 per cent, although margins were lower.

Sir John Hoskyns, chairman, told the annual meeting that trading for the three months to the end of November 1992 was erratic, but sales were up 14 per cent on the previous year, reflecting the group's increased competitiveness.

Gross margins, however, fell by 2½ percentage points after Burton cut its mark-up. Sales increases before Christmas were below plan but in promotional periods like the January sales turnover was above plan.

Airtours and Owners trade statistics on holiday sales

AIRTOURS and rival holiday tour operator, Owners Abroad, yesterday traded statistics about the state of their sales for the summer 1993 holiday season, writes Richard Gourlay.

Mr David Crossland, Airtours chairman, told shareholders at the annual meeting that bookings for summer 1993 and winter 1992-93 were up by 7 per cent and 17 per cent respectively, year on year.

These figures demonstrate a greater increase in bookings than Airtours claimed in its offer document sent to Owners a week ago.

Mr Howard Klein, Owners chairman, countered by saying industry surveys showed his company was continuing to get its pricing right for summer 1993.

According to Stats MR, a respected industry monitor, summer holiday bookings to the end of December 1992 had

fallen by 6 per cent. While Owners bookings had increased by 19 per cent, Airtours' bookings, however, had declined by 3 per cent.

Bookings with Thomson, the market leader, fell by 14 per cent.

Figures for the end of November showed that overall bookings fell by 9 per cent. Owners rose 20 per cent, Airtours' dropped by 6 per cent, and Thomson fell 21 per cent.

Shoprite makes placing to raise £9.8m

By Neil Buckley

SHARES in Shoprite, the Isle of Man-based discount food retailer which is expanding rapidly in Scotland, least by 65p to 73½p yesterday after it announced plans to raise £9.8m through a placing and open offer to shareholders.

The company is issuing 1.58m shares at 64½p each, with the proceeds to be used to reduce debt and fund further expansion.

The 1-for-9 open offer and placing has been underwritten in full by Credit Lyonnais.

Shoprite, which also has vehicle retail and property interests on the Isle of Man, acquired a distribution centre in Glasgow in July 1990. It has since opened 35 deep-discount food stores in Scotland - 22 of them in the last financial year.

The group has opened two more stores in Scotland so far this financial year, with plans for 22 more.

Shoprite's chairman and managing director is Mr Deryck Nicholson, son of Mr Ken Nicholson, co-founder with Mr Albert Gubay of the Kwik Save discount chain.

The Nicholson family, which is interested in 60.7 per cent of Shoprite's existing share capital, has undertaken not to take up its entitlement under the open offer, amounting to 949,648 new ordinary shares.

Analysts said a number of institutional investors were yesterday chasing the stock in the market.

Slimming down to fit a new niche

Paul Abrahams on ICI's exit from polypropylene into BASF acrylics

IMPERIAL Chemical Industries just keeps on shrinking. In 1989 Britain's biggest manufacturer had sales of £13.1bn. By 1991 they were £12.1bn. Last year analysts estimated that they were £11.6bn.

Yesterday, ICI continued its slimming programme when it exchanged its polypropylene business, with turnover of £135m, for BASF of Germany's £50m acrylics operations.

For ICI, the long-awaited exit from polypropylene makes sense. The move is part of a wider strategy of focusing on businesses in which the group can compete in Europe, Asia and the US.

The polypropylene business, apart from a small Australian plant which ICI is retaining, was purely European. And with only 5 per cent of the European polypropylene market, it was a small fish in a big pond, explains Mr Chris Hampson, board director and chairman of ICI's chemicals and polymers division.

An added incentive for ICI is the dire state of the European polypropylene market. "This deal gets us out of a business in which we have no future and which is in a serious loss position," says Mr Hampson.

Prices for premium injection moulding grades have dropped from DM1.235 (£508) per tonne in September to DM850 last month.

Mr Paul Ray, at London-based Trichem Consultants,

says that for bottom grades, such as raffia, prices have reached levels which manufacturers find no longer cover fixed costs, only raw material and variable costs.

The industry is struggling with a massive imbalance between supply and demand. Companies supply historic demand for polypropylene growing at 6 per cent a year and started building additional capacity during the late 1980s.

"The market peaked in 1988 when companies could make a decent return," says Mr Ray. "Since then it has been bloody awful."

The situation is set to deteriorate. Exxon of the US, and the third largest polypropylene group in Europe, is in the process of bringing on a further 140,000 tonnes in France. Solvay of Belgium is adding 80,000 tonnes, and Montedison's subsidiary Himont is expected to add 180,000 tonnes in Italy this year.

Trichem Consultants expects capacity to increase from 5.1m tonnes last year to 5.5m this year. European domestic demand last year was only 4.2m tonnes. BASF concedes that growth in European demand is likely to slow as the German economy decelerates.

Europe cannot export its way out of trouble. Indeed, European exports are falling as new capacity comes on stream in Asia.

Exxon reckons that European exports fell by 30 per cent last year, and will fall from

220,000 tonnes a year in 1990 to zero by 1994.

Mr Bryan Rigby, managing director of BASF north Europe, justifies buying at such a bleak moment by arguing that strategy cannot give way to short-term considerations. The deal will give the group critical mass, making it the second largest polypropylene manufacturer in Europe, with annual capacity of 600,000 tonnes.

"Polypropylene is not an industry for the faint-hearted," admits Mr Rigby. "But it is an interesting material, with a wide range of applications. Its medium-term prospects are bright. The sector has a better than average future and we will have a better than average position within it. If we can't make a success of that then we don't deserve to be paid."

BASF's acquisition is part of a wider restructuring of the market. Last year Shell and Himont, Europe's leading manufacturer, announced a strategic alliance in polypropylene. Austria's PCD and Germany's Hils are in joint-venture negotiations for all their polymer operations.

Consultants believe such mergers will only be effective if capacity is shut down. However, Mr Rigby says the German group will keep all of its new capacity.

Meanwhile, ICI is building up its acrylics interests, having picked up Du Pont's US acrylics operations in a fibres swap last year.

Mr Hampson explains that ICI's acrylics operations were

previously weak on the continent. Although the company was strong in acrylic monomer (the raw material for textiles and plastics) it was weak in downstream derivatives. The acquisition of BASF's two businesses adds such activities.

The acrylics market is growing at between 3 per cent and 5 per cent a year - more slowly than polypropylene. However, the market is considerably more fragmented, especially in derivatives.

BASF justifies its exit by explaining that the industry was clearly consolidating. For example, France's Elf Atochem recently formed a joint-venture with Rohm and Haas of the US. Mr Rigby believes BASF's operations were too small to compete in the long term.

Mr Hampson at ICI reckons both companies believe they have concluded a good exchange. That, he says, is how the best deals are done. Only time will tell if ICI's fate makes it fitter for the future.

Decline to £3.25m at Hill & Smith

By Peter Pearce

"THERE is no reason for me to apologise for these results," said Mr John Silk, chairman of Hill & Smith Holdings, as he announced a fall in pre-tax profits from £4.64m to £3.25m in the year to September 30.

Mr Michael Sara, managing director of the West Midlands-based steel fabricator and stockholder, explained that steel stockholding and drop forging were tough markets for all participants, but that the group had been buoyed by the motorway barrier and bridge parapet, building products, and drainage products divisions.

The stockholding division "made a small loss before interest charges of some substance", said Mr Sara, adding that industry volumes had fallen by between 10 and 15 per cent in most areas.

The three drop forging operations had been reorganised into one company and the division had made "a small loss for the first time".

After the year-end, he said, it had been hit by the pit closure programme - a lot of mining equipment is drop-forged.

The other three divisions were profitable, though barriers and parapets, "the backbone" had seen new entrants to its markets.

Mr Sara said that here the group was keen to preserve market share, though in stockholding margins were more of a priority.

Turnover declined to £83.1m (£85.5m), due mainly to the disposal of Invicta Fencing and Tipton Steel Stockholders (£60m) - "items of bad news", according to Mr Sara.

They had a combined turnover of £11m. Their sale and "good stock control" reduced gearing from 14 to 10.6 per cent.

The group had £1.2m cash at the year-end and acquisitions were possible. It bought Duct & Access Covers in March for a maximum £2.2m.

Earnings worked through at 7.85p (11.17p) per share and the final dividend is held at 3.9p for a maintained total of 6p.

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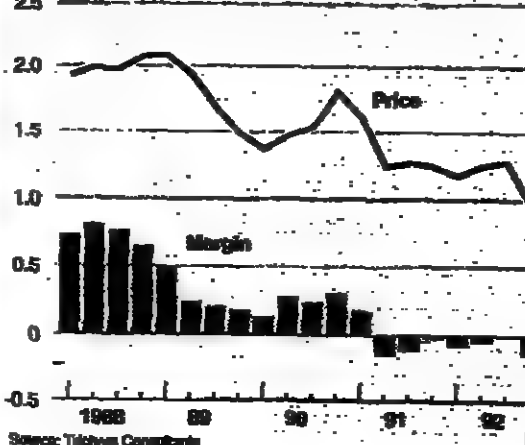
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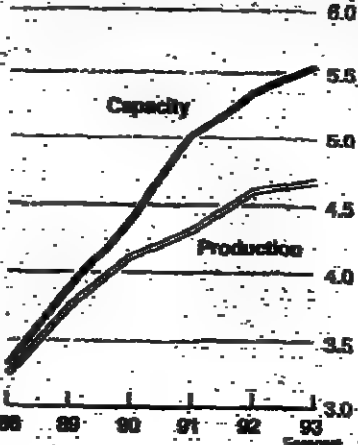
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Polypropylene

Injection moulding grade in North-West Europe (D-M / Kg)



West European market (million tonnes)



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Notice is hereby given pursuant to Condition 5(A) of the Notes, that the Conversion Right of the Notes will cease at the close of business on 14th February, 1993. Up to and including that date conversions may be effected at the Conversion Price of US\$ 190 per share.

No payment shall be made upon conversion for interest accrued on any Note since 28th February, 1992.

In accordance with Condition 5(C) of the Notes, the right of conversion attaching to any Note may be exercised by the Noteholder delivering the Note at the specified office of any Conversion Agent listed below, accompanied by a duly signed and completed notice of conversion in the form obtainable from the specified office of any Conversion Agent.

Each Note delivered for conversion should be delivered with all unexpired Coupons appertaining thereto falling which the relevant Conversion Agent will require payment of an amount equal to the face value of any missing unexpired Coupon.

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THE PROPERTY MARKET

Long trek back from bottom of abyss

Signs are growing that the US property market may be about to turn, says Vanessa Houlder

Will the "new season of American renewal" promised by President Bill Clinton to the US people this week, signal a revival of its battered property market?

While the problems of the US property industry remain daunting, some commentators believe that this will be the year when the long decline in values bottoms out. "1993 looks to be a turning point for the economy, and for the real estate industry, too," says Mr Hugh Kelly, head of economic research at Landauer Associates, the US real estate advisers. "By many measures, the worst of the cycle is behind us."

Mr Sol Rabin of TCW Realty Advisers, a Los Angeles-based company of property advisers, agrees. "Although there is no sign of improvement yet, there are growing signs that we are at the bottom."

The fate of the property industry is bound up with the policies of the new US president. Issues such as trade policy, strengthening the banking system, increasing tax revenues and the possibility of pumping-prime measures "will affect the real estate industry sooner than later," says Mr Kelly.

Economic expansion and renewed optimism are necessary preconditions for real estate to work its way out of its long purgatory," he says.

But not even the optimists believe that the climb out of the abyss will be quick or easy. The US real estate market is labouring under the weighty legacy of the 1980s, when tax breaks and easy money stimulated a big increase in construction. Some 40 per cent of all the property in the US was built in the 1980s, according to TCW.

The result was a steep rise in

vacancy rates, reaching an average of nearly 20 per cent in downtown office markets. Property analysts calculate that there is enough vacant office space to give every unemployed person in the country his or her own 8 ft by 7 ft office.

The result has been a sharp fall in property values of at least 30 per cent in the last four years, as investors have shied away from the market. Investment in property has been sharply reduced from \$21bn in 1988 to less than \$4bn in 1992.

However, potential investors complain that prices are still being kept artificially high. This has led to a stalemate between buyers, who have waited for prices to fall further, and sellers, who have been waiting for them to go back up.

"If the banks were to write down property values enough, investors would come in," says Mr Rabin. "Some of the banks are being unrealistic about prices."

The US property market - as in the UK - ultimately depends on demand from tenants, and demand depends on the strength of the economy. Landauer's economic projections for this year include a 3 per cent real growth in gross domestic product, and a net gain of more than 1m jobs.

However, there are significant variations in the prospects for different markets and regions:

- The office market, which saw

Outlook for US office market

Office Momentum Index* Ratings from 1 = strong to 7 = poor



rents fell by 4.4 per cent and values fell by 7 per cent in 1992. Prospects are still weak, but there is scope for encouragement in the decline in supply, which has slowed to a trickle, and improved demand prospects.

Landauer estimates that an additional 1.38m office jobs will be created across the country by 1997. It concludes that 47 per cent of the

current vacant space could be absorbed in the next five years.

The best-placed cities are those with the greatest potential for job creation in the 1990s. Landauer's ranking of areas according to their changing supply and demand profile puts Orlando, Houston, Seattle and Atlanta as the markets with the best prospects for the 1990s - although it rates their prospects as

no more than acceptable to good. The likely resurgence of the Houston property market, which has long been notorious for a high vacancy rate, is particularly significant.

At the other end of the scale are most of the US's largest markets, such as Chicago, Washington, Philadelphia, Los Angeles and New York, which are "bogged down with

immense inventories of empty space and feeble economic expansion prospects through mid-decade."

New York, which has lost more than 100,000 office jobs since 1990, is the worst placed of the 24 US cities monitored by Landauer. "The weakness in office rents and values will be a persistent feature here through the latter part of the decade," the company says.

• The retail market - fears of unemployment and heavy debt burdens are continuing to restrict consumer spending and depress the retail property market. This is in spite of low interest rates and hopes of economic recovery.

The decline in retail property capital values has been far less marked than for offices, although income returns have lagged nearly every other sector in the market. Dallas, Seattle and Tampa offer the best prospects, according to Landauer; among the worst are Hartford, Richmond and Memphis.

• The industrial market, which has been badly affected by the contraction of companies such as General Motors and IBM and by reduced military spending, which has particularly hit the Californian economy.

Nonetheless, there is some comfort in the industrial sector. A Federal Reserve banking survey last October suggested that manufacturers' optimism is picking up and, despite continued closures of large plants, the number of small facto-

ries is on the rise. The warehouse market shows some sign of recovery, particularly in Seattle, Houston and Dallas.

• The residential market - although values are still falling, apartments are the best-performing sector in the property market, as it does not suffer from the oversupply plaguing other parts of the market. Average vacancy rates declined from 7.4 per cent to 6.8 per cent in 1992. "If these rates continue to fall, significant spikes in average rents should be expected," says Landauer.

Falling prices and cheaper mortgages helped the single-family housing market rebound in 1992, with a 4 per cent rise in volume and a slight increase in prices. Prospects for a continued improvement in 1993 are modest, however.

• The hotel market, which is probably the hardest hit of all the US commercial property markets. "While an office building can harbour an above-market lease that represents a potential threat to cash flow, hotels must go to market every night. It is hard to hide problems in this business," says Landauer. It adds that 1993 is expected to be another bleak year.

An examination of the prospects for different states and sectors demonstrates how widespread and severe are the problems facing the US property market. Hopes of a recovery are fragile and could easily be dashed by events such as a rise in interest rates.

Probably the best that can be said for the US property industry is that, for the first time in years, the market runs a chance of being in a better, not worse, state by the time the year is over.

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* Source: BMRC 1991

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A - Those who're good in a crisis. B - People who prevent crises from happening in the first place, by anticipating likely problems and ensuring they don't arise.

Except madcap youths, slaves to routine and masochists, all of us would surely prefer B: problem-anticipators. So the omens look good for psychologist Clive Thacker of Wolverhampton University.

Although a specialist in psychometric tests, he has doubts about an assumption made by most recruiters who use them. It is that job requirements can be broken down into shopping lists of intellectual and personality traits measurable by standard yardsticks: for example, so much skill at mentally manipulating information expressed in words, plus so much at manipulating numerical data, plus so on.

In his view, adding testable traits together in that way is incapable of giving an accurate gauge of the vast complexity of

human talents. He is therefore focusing his research, not on general measures of personality and the like, but on developing a computerised test of one specific ability important in many jobs: that of anticipating problems.

The prototype combines three elements. The first is a 15-item questionnaire assessing people's disposition to think ahead, a yardstick which Dr Thacker, who switched career to psychology in his early 30s, devised in the course of his doctoral studies. The next checks speed of mental reaction. Then comes a test of ability to think logically about cause and effect.

All the elements, he says, are "modelled to interact dynamically" - a feat which I gather is in its way not far short of the soccer star's legendary achievement of opening a can of peas with his left foot. The whole gauntlet can be run in 30 minutes or so.

As for the test's benchmark of problem-anticipating excellence, thereby hangs a tale. Clive Thacker's particular interest in the ability dates from the 12

years he served on the production staff of professional theatre companies, working his way up from assistant stage manager.

In that kind of job, he explains, the governing principle is not just Sods Law's ruling that if anything can go wrong, it will. Actors are typically so "disaster-prone" that, even if it can't go wrong, they'll somehow fix for it to do so. Nor are the dangers thereof limited to distracting the audience from the plot.

"When we did the Caucasian Chalk Circle up in Newcastle, we had two 25ft towers on stage and the cast had to make a rope bridge between them, which the leading lady walked across. That put us on a potential of a death at night. And though there are always plenty of actors looking for work, women who can play big Brechtian roles are rare."

Having come through a dozen years of such exposure without even a small disaster to his debit, Dr Thacker thinks he has proved himself a problem-anticipator of high degree. And his score on the test, 96, is the best yet achieved.

By Michael Dixon

But that is far from his only reason for confidence that the instrument is sound. By standard statistical checks, the evidence from the several dozens of people tested to date is encouraging. Even so, much refining work is still needed, and Clive Thacker would like to hear from any organisation interested in helping with further development.

The Jobs column has already done its bit by becoming another guinea pig, scoring 79. So I can claim my problem-anticipating ability is at least average... although my partner Bill Hall says it would be better described as "just about tolerable".

WHENCE to the table alongside, which tells the sad tale of events in the United Kingdom executive-employment market as gauged by the MSL International consultancy's three-monthly counts of jobs advertised in the more highbrow journals.

As may be seen from the line

of totals three quarters of the way down, last year's advertised demand fell 10 per cent short of even the record low of 1991. So much for the optimistic hopes I expressed 12 months ago!

The previous worst in MSL's 33 years of checking, by the way, was the 1981 tally of 18,795.

The separate three-monthly counts under the totals scarcely point to early recovery either. Although the first three quarters of 1992 brought a slowing of the market plunge from the rates of the year before, it steepened again in the final quarter. The only comfort the consultancy can

offer is that October was worse than November which in turn was worse than December.

Still, to quote the poet Arthur Hugh Clough's brave words on the failure of previous optimism: "If hopes were dupes, fears may be liars". Whatever the totals may say, I'm banking on the two plus signs in the upper part of the table for 1992, especially the one against sales and marketing where demand has improved for the second quarter running.

UNITED KINGDOM ADVERTISED DEMAND FOR MANAGERS AND KEY SPECIALIST STAFF (Year to December 31)

| (Year to December 31) | | | | | | | | | | |
|-----------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|
| Type of work | 1992 | | 1991 | | 1990 | | 1989 | | 1988 | |
| | Posts advertised | Change from 1990 % | Posts advertised | Change from 1990 % | Posts advertised | Change from 1989 % | Posts advertised | Change from 1989 % | Posts advertised | Change from 1987 % |
| Research & devlpmt | 1,272 | -26.6 | 1,733 | -46.5 | 3,242 | -22.1 | 4,180 | +3.9 | 4,004 | +18.7 |
| Sales & marketing | 2,478 | +12.9 | 2,194 | -23.2 | 2,858 | -27.4 | 3,934 | -31.1 | 5,707 | -9.1 |
| Production | 2,215 | -16.2 | 2,642 | -47.9 | 5,088 | -16.0 | 6,032 | -20.5 | 7,589 | +38.9 |
| Accounting | 2,602 | -19.6 | 3,238 | -40.6 | 5,448 | -19.1 | 6,731 | -12.8 | 7,716 | +1.2 |
| Computing | 1,035 | +1.7 | 1,018 | -54.1 | 2,216 | -37.1 | 3,521 | -28.8 | 4,947 | +50.0 |
| General management | 857 | -12.2 | 976 | -25.0 | 1,302 | -3.7 | 1,352 | -16.7 | 1,623 | +0.7 |
| Personnel | 387 | +4.7 | 406 | -48.9 | 794 | -28.3 | 1,123 | +2.4 | 1,097 | -0.5 |
| Others | 3,550 | -7.0 | 3,817 | -41.8 | 6,559 | -15.1 | 7,723 | +2.7 | 7,519 | +15.1 |
| Total | 14,396 | -10.2 | 16,024 | -41.7 | 27,487 | -28.5 | 34,678 | -14.0 | 40,202 | +13.9 |
| Jan-March | 4,058 | -11.2 | 4,572 | -45.8 | 8,397 | -23.1 | 10,915 | -2.7 | 11,223 | +22.4 |
| April-June | 4,023 | -5.0 | 4,235 | -44.6 | 7,641 | -16.7 | 9,176 | -13.4 | 10,593 | +23.2 |
| July-Sept | 3,379 | -8.9 | 3,630 | -40.8 | 6,131 | -22.0 | 7,858 | -15.8 | 9,338 | +12.9 |
| Oct-Dec | 2,936 | -18.1 | 3,587 | -32.5 | 5,318 | -19.8 | 6,627 | -26.8 | 9,048 | -2.2 |

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GERMAN SPEAKING INSTITUTIONS

CITY **£50,000-£80,000 + Bonus + Benefits**
UK INSTITUTIONS

CITY **£50,000-£80,000 + Bonus + Benefits**
Here we invite applications from Fixed Income Sales people who must have had at least 3 - 5 years sales experience with major international securities houses. For these two new appointments, which will be at Executive Director or Associate Director level depending on experience, this will have been either dealing with UK or German speaking institutions. German language skills are essential for the German position as you will be in charge of German speaking investors in Germany, Austria and other German speaking institutions outside these countries. Initial salary negotiable £50,000-£80,000 plus performance related bonus, car and other benefits similar to the above positions. Ref: FISUK or Ref: FISG

NEW ISSUES TRADING Working closely with sales force

CITY **£50,000-£70,000 + Bonus + Benefits**
Applications are invited from individuals who must have had at least 3 years trading experience preferably in USD, YEN or European currencies. Previous new issue trading experience will be ideal, although not essential. For this appointment, at Associate Director level, you will work closely with the sales force responding to and stimulating customer interest in new issues. You will trade issues managed by our company as well as other primary market bonds, making prices for the sales team. Initial salary negotiable £50,000-£70,000 plus performance related bonus, car, and other benefits similar to the above positions. Ref: NIT

For these appointments we are particularly keen to hear from candidates in strict confidence by telephone or please send full c.v. to Helen Glover, Senior Personnel Manager,
GROUND AND FIRST FLOOR,
8 BROADGATE, LONDON EC2M 2RQ
Telephone: 071 - 638 7686 Telex: 886107 Facsimile: 071 - 638 1285

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Nous vous remercions d'adresser vos dossiers, sous réf. BK/International/FT, à Bernard Krief Consulting Group, 115 rue du Bac, 75007 Paris.



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UNION BANK OF FINLAND LONDON BRANCH

ASSISTANT MANAGER FOREIGN EXCHANGE/MONEY MARKET

In order to maintain a high level of commitment and quality in its money market and foreign exchange activities London Branch is seeking to appoint an experienced dealer to complement a small, well integrated team on the Scandinavian Desk.

The appointment at Assistant Manager level reflects the importance of the position.

The successful candidate will be principally responsible for the running, trading and development of the money market and forward Finnish markka books, quoting for corporate and interbank business in a competitive environment.

To qualify, experience in the Finnish markka market and fluency in the Finnish language, together with good communication skills in English are essential. Knowledge of Swedish would be desirable. A proven track record of profitability and a consistent career pattern are also required.

The salary package will be competitive, negotiable according to experience, and accompanied by the usual range of fringe benefits.

In the first instance applications, together with a full curriculum vitae, should be addressed to:

David Britton, European Treasurer, Union Bank of Finland,
46 Cannon Street, London EC4N 6JJ

Foreign Exchange Broking - City
We are currently seeking a young graduate to join our small but progressive broking firm as a trainee broker. The suitable applicant should ideally be under 25 years of age and smart in appearance. Other qualities to include an ability to communicate, quick mind, personable character and a willingness to work hard. A second European language would be beneficial and the ability to work in a team is essential. Training will be given; the remuneration will depend on the qualifications of the successful candidate. Please apply in confidence enclosing C.V. to Box A686, Financial Times, One Southwark Bridge, London SE1 9HL.

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on 071 248 3812

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The successful candidate will be a well-qualified enthusiastic self-starter capable of undertaking a broad range of assignments across the group's businesses.

- Aged 25-30, with a strong track record in consulting, investment banking or a similar blue chip corporate team
- A graduate with computer literacy and strong communication skills
- A MBA qualification, while not essential, would reflect the level of analytical and intellectual skills required.

Following approximately two years in this high-profile and challenging role, the successful candidate should expect to move into a line position in one of the group companies.

Please write, enclosing a career history and giving details of present salary, to Robert Head, Personnel Manager, Pearson plc, Millbank Tower, London SW1P 4QZ quoting reference number CR/83/1/FT.

Rolfe & Nolan Computer Services Plc

Sales - Financial Markets

Rolfe & Nolan is a highly successful City based quoted company with an excellent reputation as the leading European supplier of Futures and Options Settlement Systems.

Continued expansion in the UK and Mainland Europe has created new opportunities for motivated individuals to join our growing sales team.

We are looking for high calibre graduates with at least 2-3 years experience preferably gained selling to the financial markets at board level.

An understanding of the derivatives markets is a major advantage, but not essential, as is experience of high value sales. Candidates who can demonstrate fluency in a Continental European language are of particular interest.

Rolfe & Nolan is a fast growing, dynamic organisation and it is important that you are highly motivated and committed to developing your career in sales.

A generous and competitive package is offered, negotiable according to experience.

To be considered for these unique positions please write enclosing full CV to:

Bill Temple
UK Sales Manager
Rolfe & Nolan Computer Services Plc
Lowndes House
1-9 City Road
London EC1Y 1AA
071 374 4841

Interviews would be expected to take place week commencing 25th January 1993.

ROLFE & NOLAN

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Senior Programmer needed to produce investment management and pension fund seminars, choosing topics and supervising seminar organisation. Involves research, interviewing, editing, high-level contact with international financial executives. Some travel. Must be creative and extremely well organised. PC, language skills highly desirable. Would suit candidates with five to ten years' experience gained in financial services or journalism. Previous applicants need not re-apply.

Please send CV and salary expectations marked confidential to:
Institutional Investor,
Dept E1, Imperial Buildings,
56 Kingsway, London WC2B 6DX

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You are an ambitious, 30 to 38 years old EC Affairs specialist seeking to make a major contribution to the development of a new Brussels-based EC Affairs office within a leading international Public Relations Group. You have a proven track record during the past 3 to 5 years as an EC Consultant, counselling major corporations on regulatory and political issues. You are a self-starter with a strong independent streak. Your have strong inter-personal skills enabling you to establish productive relations with EC and business decision-makers and to work efficiently with our worldwide offices. You are preferably an EC national with 2-3 languages (including fluent English). We are an independent and stable international group which has expanded very rapidly while remaining a hands-on and result-orientated organization. We offer the successful candidate an unrivalled opportunity for personal and professional growth. Handwritten applications accompanied by CV to be sent in strictest confidence to PO Box A684, Financial Times, One Southwark Bridge, London SE1 9HL.

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We would like to meet one or two highly motivated individuals with extensive practical experience within the securities industry, in either sales, research, trading, portfolio management, or corporate finance to discuss joining our small team.

We are an active small self-clearing firm with a particular emphasis on arbitrage trading including convertibles and derivatives, as well as distressed security analysis of companies with debt and prior charge capital.

Please write with brief career details to 20, ST. SWITHINS LANE, LONDON EC4N 8AD or phone: ROY CUTTS or ROBERT HARRIS on 071-220-7720.



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

PARIS

Directorate for Financial, Fiscal and Enterprise
Affairs requires for its Fiscal Affairs Division

SENIOR PUBLIC FINANCE ECONOMISTS AND TAX SPECIALISTS

to work in one or more of the following areas:

- Analysis of the economic and social impact of the tax policies of Member countries; statistical comparisons of tax/benefit systems and the structures of tax revenues; examination of the impact of globalisation of economies on national tax systems
- Tax policy advice to Central and Eastern European countries (including the ex-Soviet Union) on the design and implementation of new tax systems, with particular reference to drafting legislation, international taxation issues and improving the efficiency of the tax administration. This activity includes the provision of training courses for senior tax officials.
- The establishment and monitoring of international guidelines with respect to double taxation treaties, transfer prices and measures to counteract international tax evasion and avoidance.

Qualifications

- Ten years' experience in the tax field, preferably with a national tax administration or international organisation.
- An advanced university degree (or equivalent) in law, public administration or economics.
- Extensive experience in the operation of personal and corporate income tax systems.
- Excellent knowledge of either English or French; a good knowledge of another language would be an advantage.

Vacancies open to both male and female Nationals of OECD Member countries. Appointments are offered for an initial period of two or three years. Attractive remuneration package.

Applications, together with detailed curriculum vitae in English or French and specifying "DAFFE" should be sent to Human Resource Management Division, OECD, 2 rue André-Pascal, 75775 Paris Cedex 16. Closing date 15 February 1993

Only shortlisted candidates will receive an acknowledgement.

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European Bank

Our Client is the profitable London Branch of a leading European Bank. The need has arisen for a key individual to join the senior management team and head the Operations function.

Reporting to the General Manager, you will be responsible for a small diligent team and be instrumental in ensuring the smooth and efficient running of the Operations function. Key responsibilities will include all aspects of the back office, loans administration, transactions and accounting, regulatory reporting, and smooth interfacing with the other divisions within the Bank.

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LONDON PARIS



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A minimum of 5 years' experience gained within the operations division of a major banking organisation or finance house is essential. A hands-on management style coupled with first-class interpersonal skills are prerequisites, as is flexibility and a willingness to learn and keep up to date with the rapidly changing nature of the markets. The package on offer will fully reflect the importance of this position in the organisation.

Applicants interested in finding out more about this outstanding opportunity should telephone Jonathan Cohen, or fax or write to him enclosing a detailed Curriculum Vitae at the address below.

Tel: 071-413 0972
Fax: 071-413 0976

MANAGING DIRECTOR MERCHANT BANK NIGERIA

After a period of rapid and successful expansion this locally controlled merchant bank seeks an experienced international banker as Managing Director.

The management is well qualified and strong but needs leadership to sustain the growth in new business areas. Particular emphasis is to be made on servicing the development of Nigeria's industrial base.

The candidate must have overseas experience, though not necessarily in Nigeria, and is likely to be aged 35-45. A proven record of successfully managing a similar organisation through such a period of change would be ideal.

A generous remuneration package is available and includes the usual expatriate benefits. Future career progression would not only include organic growth within the Merchant Bank but also other opportunities within the group.

Please reply with a concise C.V. showing how you match the requirements indicated.

Interviews will be held in London.

Write to Box A1765, Financial Times, One Southwark Bridge, London SE1 9HL.

An Outstanding Opportunity For Documentation or New Issues Professionals Transaction Management/Documentation

Our client, a leading international securities house, has an excellent reputation for innovation in the fixed income, derivatives and structured transaction areas.

An exciting opportunity has arisen within the Transaction and Execution Department for a young individual to assist in the management of securities transactions and the preparation and development of related documentation. Particular product areas include Eurobonds and MTNs and the position will involve liaising with external legal advisers and providing advice to front office managers on all aspects of the deal and its documentation.

You will have at least two years' experience of international securities transactions gained in one of the following areas:

- A documentation or transaction management environment within a financial institution or major City law firm.

Interested candidates should contact Paul Mawds in BBM Associates Ltd (Consultants in Recruitment) on 071-248 3653 (081-946 5012 evenings/weekends) or write, sending details to the address below. All applicants will be treated in the strictest confidence.

76, Watling Street, London EC4M 9BJ



Tel: 071-248 3653 Fax: 071-248 2814

U.K. EQUITY MANAGEMENT

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Edinburgh

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Our client is Scottish Widows Investment Management, one of the leading investment institutions in the UK, with some £18 billion funds under management. They offer now two career appointments to accomplished individuals capable of demonstrating flair, originality, and a high level of performance. Both appointments are to the UK Equity desk.

The first appointment requires 3 to 5 years' comprehensive and solid experience in UK Equities. You will exhibit a genuine and self-evident interest in initiating and conducting primary and secondary investigation into UK stock and sector themes, contributing in this manner with a high degree of presentation skill to overall portfolio construction within the Desk. You will also carry fund management responsibility.

The second appointment is at a less senior level, requiring 12 to 18 months' experience as an analyst, looking now to build and develop their interest and skills in equity market research by taking a career move to work with a mainstream industry player.

Both positions require outstanding ability and academic/professional background, together with a high level of commitment to successful stock selection. It is probable that the successful candidates will have completed, or be involved in, the Institute of Investment Management and Research programme. Salary packages will be competitive, commensurate with qualifications and experience gained.

Those interested should send their Curriculum Vitae (including current package details) to, or telephone in confidence: Richard A. Fletcher, Managing Director, Fletcher Jones Ltd, 9 South Charlotte Street, Edinburgh, EH2 4AS. Tel: (031) 226 5709. Fax: (031) 220 1940.

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We are currently looking for a high calibre candidate to work in our Derivatives Department, working on product development and marketing. We require someone familiar with inflation and commodity linked instruments including index linked bonds. Marketing will primarily be to our expanding Turkish client base, together with other European clients.

The successful candidate will be educated to PhD level, with excellent quantitative and computing skills, have good interpersonal skills and be fluent in Turkish, English and possibly other European languages.

To apply, please write to Corinne Long, Personnel Manager, Citibank, PO Box 242, 335 Strand, London WC2R 1LS.

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SECURITIES BROKING

Geldhandels GmbH is a Frankfurt-based money broker, established since 1975. We are seeking additional brokers to join our newly formed securities broking desk. Candidates should have experience of, and contacts in, one or more of the following product areas:

- Illiquid Bonds (straight/FRNs)
- Junk Bonds
- LDC Debt
- Synthetic Securities (asset swaps)

You will probably be presently working in a broking or sales/trading environment and are seeking a new challenge, greater flexibility and/or increased rewards commensurate with your talent. We are looking for self-motivated and hard-working individuals. Salary and bonus package is excellent and geared to reward performance. Interested candidates are requested to make contact by telephone for a confidential discussion.

Tel: Frankfurt (0) 69 290501 and ask for Kevin Beaman.

Geldhandels GmbH Bierig-Klein, Rosemarkt 11, W-6000 Frankfurt/Main, Germany.

SMITH NEW COURT SECURITIES LIMITED

UK WATER ANALYST

Smith New Court, one of the UK's leading Securities Houses, is inviting applications from candidates to join a well established and successful Utilities team. The prime responsibility will include the preparation of written research on the water sector in the UK to both clients and relevant employees of the firm.

The requirement is for a highly motivated, hard working individual preferably aged between 25-35 years with strong oral and written communication skills. Although previous analytical experience is not essential, a practical awareness of the water industry is expected. This should include a strong background in financial analysis and regulation.

A highly attractive remuneration package will be offered to the right candidate. Please submit your application, including a CV, to:

Kirsten Wright, Personnel Department,
Smith New Court Securities Limited,
Smith New Court House, 20 Farringdon Road
London EC1M 3NH



French
Franc
Bond
Sales

Société Générale is a leading issuer and market maker in French Government and Euro FF bonds. Through Société Générale Strauss-Turnbull in London we wish to enhance our coverage of UK institutions.

Candidates should have a minimum of three years experience in selling Bonds and OATs, as well as Euro FF and ECU bonds, to UK clients. Speaking French would be an advantage.

To apply, please submit a C.V. or telephone for further details and an application form to:
Lyn Usher (Ms),
Director of Personnel,
Société Générale Strauss-Turnbull Securities Limited,
Exchange House, Primrose Street,
Broadgate, London EC2A 2DD.
Telephone: 071-522 1015.

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GUILDFORD 0483 503535 LEEDS 0532 373970
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Derivatives Dealer to £34,000 + car

Your extensive expertise in swaps, options and other derivative instruments should ideally have been gained through direct involvement in pricing and structuring transactions for banking institutions. As the derivatives expert, you will be expected to advise senior Treasury staff on the appropriate use of transactions to support the management of wholesale funding and liquid assets as well as the launch of special retail products.

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You must have experience in US\$ markets either through managing investments in, or through the issuance or marketing of, US\$ money market instruments. You will be expected to play a central role in the management of the Society's US\$ liquidity portfolio.

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Please send a full cv, by 5 February 1993, to Sarah Baldwin, Human Resources Advisor, Nationwide Building Society, Moulton Park, Northampton NN3 1NL.

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SULTAN QABOOS UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS ADVERTISEMENT FOR CBE FACULTY

The University is extending the range of its colleges to include business subjects. The new college will be the basis for the most modern and comprehensive business school in the region, and aims to become an international centre of excellence in business and management education. A new purpose-built building of the highest quality is nearing completion and will be equipped with leading edge technology in information, business education, and teaching systems. The language of instruction will be English.

The new College of Business and Economics at Sultan Qaboos University will start classes in September 1993, and is currently recruiting academic staff at all levels. In the coming months, the following appointments will be made:

Dean
Deputy Dean
Professors
Associate Professors
Assistant Professors
Lecturers

In the fields of accounting, finance, economics, information systems, statistics, production and operations management, human resources management, management systems, and marketing.

The new faculty will be expected to use the newest teaching methods directed at open learning. Computer-based teaching technologies will be used to enhance the efficiency and effectiveness of knowledge transfer, leaving more time for small group teaching, seminars and case study sessions. It is intended that the new faculty will attract the liveliest of minds and especially those interested in bringing modern business methods to the region.

The terms and conditions of appointment will be generous. Tax-free salaries within the range of \$40,000 to \$80,000 will be paid, together with free, good housing facility. The appointments will be made on the basis of rolling two-year contracts. Joint appointments with existing institutions will be possible.

Brief CVs should be sent to the Secretary General of Sultan Qaboos University, who will then refer them to the Search Committee comprising distinguished academics from the USA, the UK, continental Europe and the Middle East. Preliminary interviews and further information sessions will be held in Boston, London, Paris and Cairo.

Address:
H.E. the Secretary General
Sultan Qaboos University
P.O. Box 32500, Al Khoudh
Sultanate of Oman

هكذا من العمل

ACCOUNTANCY COLUMN

Man with a mission prepares to take on the world

Andrew Jack on challenges facing the new chairman of the International Accounting Standards Committee

MR RICH SHIRATORI, the new chairman of the International Accounting Standards Committee, is a man with an ambitious mission. By the end of his term in June 1995, he wants to see his organisation's standards accepted in most of the world's leading equity markets.

"That is my hope," he says in a tone which is simultaneously respectful and assertive. "It is also my expectation. I am more than 90 per cent certain that it can be achieved."

Shiratori, who became chairman at the start of the year, flew back to his native Japan on Monday after a week in London at headquarters discussing agendas and addressing some 15 issues to be tackled in the coming months.

He will need all of his skills of persuasion for the task ahead, and may well be glad that he has retired from his partnership with Arthur Andersen and can concentrate on his new responsibilities.

After years of toil unnoticed except by a small group of dedicated, jet-setting accountancy luminaries since its creation in 1973, the International Accounting Standards Committee (IASC) has recently begun to come into its own.

At the start of the decade, the International Organisation of Securities Commissions (IOSCO) gave IASC a new lease of life by suggesting in principle that it might accept international accounting standards as an alternative to national standards.

Theoretically, that could lead to companies that use its standards being able to seek a listing on foreign



Rich Shiratori: confident of achieving international recognition

equity markets without the additional expense and legal difficulties of presentation in that country's format.

Late last year, the process came one step nearer at its annual conference in London. IOSCO agreed to accept the now near-complete canon of international auditing standards produced by the International Auditing Practices Committee of the International Federation of Accountants.

Shiratori hopes that IOSCO will follow suit by accepting IASC standards on the same basis at its next annual

meeting this autumn. If not, he is determined to win acceptance by the time of its 1994 meeting which - appropriately enough - will be in Tokyo.

Much of the IASC's efforts up till then will be in completing its so-called comparability and improvements project. This was designed to reduce the number of alternative accounting treatments that it permitted in order to gain approval from its members.

The most immediate question is what compromises IASC may be forced to make in order to gain IOSCO's approval. More fundamental is whether the magic endorsement will hold sufficient reward in comparison to the energy being invested in the process.

To its critics, the International Accounting Standards Committee still seems irrelevant. While a small group of technical accountants works away busily in the background, few others - least of all the national equity markets - pay much heed.

There may be a case that the drafters are moving far too much ahead of the demand for international standards. Certainly it has so far proved impossible for the committee to fill its three vacant, part-time board seats with any representatives from business.

Equally, the number of companies using IASC standards appears to be small. The organisation's latest survey last summer showed just 94 companies had cited the standards in their published financial statements - although these included some notable names such as Nestlé and Fujitsu.

But Mr Ray Hinton, technical partner with Arthur Andersen, dismisses the figures: "There is by no means a flood, but the most important thing is not whether companies say they are complying but whether they are."

"Even more important is whether international accounting standards are permeating into the standards of individual countries," he says. "National standards-setters won't necessarily confess to it, but the IASC has an influence by osmosis. They are loath to go in the other direction."

He cites the example of related-party transactions, issued by the IASC in 1984 and now finding a place in many countries' standards. In the UK, he argues that the Accounting Standard Board's statement of principles has drawn heavily on the IASC's conceptual framework.

Some countries have adopted the IASC standards virtually unchanged, such as Singapore, Malaysia and a number in Africa. Several Stock Exchanges, including London and Hong Kong, already accept international standards as alternatives to their own national ones for listing.

Now one of the key missing players has also begun to thaw. The US, previously hostile to the IASC, has started to take notice, driven in part by concern over companies seeking listings in other countries rather than meeting its own tough requirements.

The Financial Accounting Standards Board has begun to conduct more open dialogue. Even the Securities and Exchange Commission has become more active. Late last year, Mr Walter Scheutze, its chief account-

ant, began talking about the need for an "accounting Esperanto" to broach the differences in accounts in countries across the world.

But these gestures have come at a high price. The International Accounting Standards Committee, already very much driven by Anglo-Saxon accounting principles, has been forced to bend even more towards the US approach apparently in order to gain acceptance.

One clear instance which caused the stomachs of many observers to sink was IASC's decision to permit last-in-first-out (LIFO) for the valuation of inventories in its revised standard IAS 2. Among the key proponents was the US.

Mr Allister Wilson, a technical partner with Ernst & Young, argues that there is an irreconcilable tension between IASC's role in setting minimum standards for national adoption and standards allowing multi-national firms to seek foreign listings.

He also questions how meaningful harmonisation of accounting standards can ever be whilst national practices are a function of a very different cultural and political regime, with widely divergent tax systems and other factors which make cross-border comparisons fraught with ambiguity.

Meanwhile, there is no guarantee that even if IOSCO does accept international accounting standards, it can persuade its member countries' regulators and exchanges to accept them. It will prove a difficult battle in the US. It will be tougher still in Germany and in Mr Shiratori's own country, Japan.

CONTROLLER

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A major international group seeks a controller for one of its UK manufacturing businesses (sales £35 million, 250 employees). Reporting to the managing director locally, and to the divisional controller, he will be responsible for a small accounting department. In addition to routine reporting, he will be required to introduce and develop systems appropriate to the subsidiary of a large group.

Aged around 30, candidates should be graduate accountants, ideally having trained with a major audit firm, and having 2-3 years post qualification experience in a manufacturing environment. Because of the international career prospects, language skills would be particularly appreciated.

Applications, enclosing a detailed CV, should be addressed to the Executive Selection Director, Nicholas Angell Limited, 29 Percy Street, London W1P 9FF. Fax number 071 636 0262.

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The appropriate person would be capable of dealing with the most respected financial institutions and of supervising the treasury and financial reporting function. Corporate finance skills would also be necessary.

The person would report directly to the Executive Chairman and would work with other executive directors of the highest calibre. Experience in the pharmaceutical industry is not a prerequisite for the right candidate.

Please apply in writing to:

Jacqueline Austin
Assistant to the Chairman
Cortec International Ltd
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THE COMPANY

- Expanding and profitable UK manufacturing subsidiary, T/O £20m. Australian parent, HQ in USA.
- Leading independent producer of recorded C.D.'s for record companies and publishers. Complete mastering facilities on site.
- Quality reputation. Increasing demand.

THE POSITION

- Top UK finance role. Part of UK Management Board, reports to the Chairman.
- Wide ranging responsibilities including cost, credit and inventory control. Lead strategic and financial planning.

- Key task to establish new computerised planning and reporting systems.

QUALIFICATIONS

- Graduate qualified Accountant, ideally aged 30 to mid 40's. Progressive track record within medium sized multi-national manufacturing operations.
- Business management, funding, planning skills. Familiar with fully integrated manufacturing systems.
- Hands-on man-manager. Results oriented, committed team player. First class communication and motivational skills.

Please write, enclosing full cv, Ref SM0320
7 Shaftesbury Court, Chalvey Park,
Slough, SL1 2ER

N B SELECTION LTD
a Norman Broadbent International
associated company



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Price Waterhouse

EXECUTIVE SEARCH & SELECTION

European Finance Director

£60,000 plus bonus, car and benefits West London

This highly acquisitive subsidiary of a major UK multi-national provides a high profile service to a wide client base in the UK and Europe. Growth and restructuring has highlighted the need for a Financial Director to help with the acquisitions process and to develop common corporate goals and policies throughout the European operations.

The group comprises small entrepreneurial and independent businesses, each successful in their operations. The aim of this role is to add equally successful companies to the group and apply corporate policies and controls, without losing the individuality which has made them a success.

As part of the team, which

includes the Chief Executive and Commercial Director, you will be responsible for all financial and some commercial aspects of the European operations, helping local businesses achieve their corporate goals.

You need to be financially qualified, and already be operating at director level, with considerable experience of European business operations, which includes integrating small companies into large, preferably multi-national, operations. Credibility must be established with different nationalities, which will require a working knowledge of at least one and preferably two European languages in addition to English. You need to convince us that you are able to determine what makes businesses tick,

and have the strength of character to institute control, yet be sensitive to local issues and new ventures.

The benefits package, in addition to the salary indicated, includes a substantial bonus, quality car, pension arrangements and health care. It is envisaged that you will live within daily commuting distance of Heathrow Airport, and be free to travel frequently, throughout Europe.

Please write, including a full CV with salary details, to Barrie Whitaker, quoting reference B/1332 to: Executive Search & Selection Price Waterhouse Milton Gate 1 Moor Lane London EC2Y 9PB

CORPORATE FINANCE EXECUTIVES

CITY

AGE 23-27

One of the city's most active and prestigious merchant banks with a leading position in UK and International corporate finance, is looking to recruit a number of high calibre executives in its Corporate Finance Department.

This position is largely derived from the experience of its highly professional and successful team, its international network of offices, its high quality client list and its capacity to underwrite and finance transactions.

Applicants should be:

- recently qualified chartered accountants, or those awaiting results from 'the big six';
- individuals who have left the profession within the last 18 months and who have gained corporate finance experience in a competitor organisation; or MBAs with similar credentials;
- management consultants or qualified solicitors with relevant M&A experience and good numerical skills.

Candidates, who shall have excellent academic qualifications, must be able to demonstrate strong interest

in and commitment to corporate finance as a career and possess the necessary personality, drive and judgement to succeed in a strongly team-based environment.

Successful candidates will be offered highly competitive remuneration packages and progress within the Company will be based solely on merit and contribution.

Interested applicants should telephone George Corbett on 071-379 3333 (fax 071-915 8714) or write enclosing a detailed CV to Robert Walters Associates, 25 Bedford Street, London WC2E 9HF.

ROBERT WALTERS ASSOCIATES

LONDON WINDSOR BIRMINGHAM BRUSSELS AMSTERDAM PARIS

THE HALMA GROUP
DIVISIONAL FINANCE DIRECTOR

VERY ATTRACTIVE PACKAGE

LEICESTER

Continuing expansion of the Environmental Control Division of the highly successful Halma Group has created the need for a Divisional Finance Director.

He or she will be responsible to the Divisional Chief Executive for the overall accounting performance of the autonomous subsidiaries within the Division, two of which are located in Europe. In addition, the Divisional Finance Director will assist the DCE on acquisitions and will work with individual subsidiaries on special

projects. The position offers a rare opportunity for a high flyer to join a Group of considerable standing at a senior level. The right candidate will be a Chartered Accountant, probably aged 30-35, with a first class track record within the profession and in the computer experience and literacy is essential.

In addition to the substantial salary, the benefits include an excellent pension and share options.

Would candidates please apply in strictest confidence, providing a comprehensive CV to:
Mr. C.Q. Summerhayes, Divisional Chief Executive,
SPC House, Evington Valley Road, Leicester LE5 5LU.

UNIVERSITY OF WARWICK
FINANCE OFFICER

Applications are invited for the post of Finance Officer, which will fall vacant from the Summer 1993 on the retirement of Mr C Brummitt. The post carries responsibility for all financial management and accounting in the University and a proven record of ability in these areas at a senior level is a requirement. A degree or professional qualification would be an advantage.

Salary will be at an appropriate point in the Grade 6 (professional) range, but will be not less than £40k.

Application forms (returnable by 5 February 1993) and further particulars from the Personnel Office, University of Warwick, Coventry CV4 7AL (telephone 0203 523627) quoting Ref 24/48/92/77 (please mark clearly on envelope).

AN EQUAL OPPORTUNITIES EMPLOYER

FINANCIAL CONTROLLER

TUNBRIDGE WELLS c£35k + Bonus + car

International Publishing Company, one of the world's largest suppliers of educational materials to homes, schools and libraries. With parent company based in North America, its UK branch has a current turnover of £10 million p.a. and forecasts continued expansion.

Reporting directly to the Controller Finance in the USA you will be responsible for the Accounting and Administration function including the Credit Control and MIS departments. Candidates must be qualified accountants.

The Company run an IBM AS400 and familiarisation with computerised systems is essential. Experience of US Company and Credit Industry environments would be useful.



If you would like to be considered for this challenging and rewarding role send your CV to Bob Taylor at:

17 Lyons Crescent, Tonbridge, Kent TN9 1EX
☎ 0732 770827 (24 hrs) Fax: 0732 361504

Deputy
Director
of Finance/
Financial
Controller

(Circa £33,000)

Car Scheme

Located in Cardiff



Applicants are invited from suitable CCAB qualified accountants for this new and challenging post in Llandough Hospital NHS Trust. Based in the beautiful Vale of Glamorgan yet close to the amenities of Cardiff, this post offers the successful applicant the opportunity within an exciting NHS environment to prove their potential for a Director of Finance post.

Challenges facing the finance function in the near future include the implementation of a new general ledger, extension of resource management and further development of the contracting process.

Applicants in the first instance should request an information pack from the advising consultants: David O'Donnell, Partner, Resource Management Services, 9 Portland Square, Bristol BS2 8ST; or telephone Dee Winfield on 0272 429718.

The Trust is an equal opportunities employer and operates a no smoking policy.



OUTSTANDING INTERNATIONAL OPPORTUNITY

SPANISH SPEAKING ACCOUNTANT £30-35,000 + OPTIONS



PepsiCo Inc, a leading International Consumer Goods Company based in New York has achieved dramatic growth over the last 5 years, doubling its turnover to US\$20 billion. Under the direction of an innovative management team, the company is achieving ambitious goals within each of its three divisions: beverages, snackfoods and restaurants.

An outstanding opportunity exists for a bright young qualified accountant, conversant in Spanish, to join the new London based Corporate Audit Team. This will be a challenging role supervising international audits of varying complexity and addressing potential financial and commercial issues with senior management in the operating divisions. The position includes extensive international travel.

The ideal candidate will be a qualified accountant (ACA, ACCA, CIMA or overseas equivalent) highly proficient in Spanish (knowledge of additional European languages would be desirable), and have 2-4 years post qualification experience in either a 'big 6' public practice firm or multinational corporation. An outstanding track record and a commitment to success is essential. The individual will be strong technically, ambitious, self motivated and able to demonstrate leadership and management skills.

After 2-3 years in audit, the successful candidate can expect a high profile management role in one of the international operating divisions.

The benefits include an attractive remuneration package, share options, private health cover and expenses whilst travelling.

For further information please contact, in strict confidence, Robert Walker on 071-287 6285 (evenings and weekends 0798 831413). Alternatively, forward a brief resume to Walker Hamill quoting reference RW 1301.



SMITHS



WALKER HAMILL
Financial Recruitment Consultants

29-30 Kingly Street, London W1R 5LB Tel: 071-287 6285 Fax: 071-287 6270

Financial Management Controller

Swindon

£35,000 + Bonus + Car

Our client is a £65 million turnover UK division of a major UK retail organisation specialising in the provision of a food management service. Innovative management and sound investment in key areas of the business have prepared it both for the current climate and forthcoming challenges. Commitment to continued expansion has seen real growth in market share in recent years.

This expansion has created the requirement for a Financial Management Controller, reporting to the Finance Director, and joining a high calibre team. Key responsibilities will include:

- Managing a finance department consisting of 50 staff.
- The production of accurate monthly financial reports, budgets and forecasts.

- Ensuring the implementation and monitoring of sound internal controls to safeguard assets and improve cash management.
- The development and implementation of financial systems and procedures to improve the efficient and effective operation of the finance department.

The successful candidate will be a computer literate, qualified accountant, aged 30-40, with a minimum of five years post qualification experience preferably gained within a large organisation. Essential qualities will include strong managerial and interpersonal skills, a high level of commercial acumen and the drive and ambition to succeed within a forward thinking organisation.

In the first instance, interested applicants should send a comprehensive CV to Steven Vass BA ACA at Michael Page Finance, 29 St Augustine's Parade, Bristol BS1 4UL.



Michael Page Finance

Specialists in Financial Recruitment
London Bristol Windsor St Albans Leatherhead Birmingham
Nottingham Manchester Leeds Glasgow & Worldwide

Financial Controller

Central London

c £35,000 + Car

Our client is a highly successful subsidiary of one of Europe's leading automobile groups, specialising in the provision of retail finance and leasing. Last year this company provided financing for more than 60,000 vehicles in the UK and the expectations for 1993 will take the value of their portfolio to over £500,000,000.

The company is now looking to extend its strong management team with the appointment of a Financial Controller. This role will provide a financial information service which will involve detailed analysis of the business, management accounts and reporting. Budgeting, forecasting, investigations on new products and close involvement with the accounting issues generated from marketing, sales and administration are the key components of this role.

The ideal candidate will be a qualified

accountant with experience of the leasing industry. It will be important that the incumbent has a developed understanding of business issues and commercial decision making. A MBA qualification would be regarded as an advantage. Communication with the parent company is in French so an understanding of the language is necessary.

Ambitious candidates will have the opportunity to progress to senior management within the group and the variety of opportunities may include secondments within Europe.

Candidates interested in developing their careers in a successful and expanding company should send their CV to Andrew Norton at Michael Page Finance, Financial Services Division, Page House, 39-41 Parker Street, London WC2B 5LH.



Michael Page Finance

Specialists in Financial Recruitment
London Bristol Windsor St Albans Leatherhead Birmingham
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FINANCIAL DIRECTOR DESIGNATE

Defence Group - South Coast Subsidiaries

An established and progressive Group of companies Cray has grown organically and by acquisition, with activities in communications, scientific instrumentation and software technology.

Due to internal restructuring, an exciting and highly demanding opportunity has arisen within an independently run part of the Group. Working as part of a small management team, with clearly defined goals of growth and reorganisation, you will be committed to driving the business forward. In addition to the control and management of the finance function, you will also be heavily involved in forward planning and forecasting with a view to the future development of the group.

A qualified Accountant, probably aged 35-45, you will have a proven track record of achievement acquired in a manufacturing environment, and a good working knowledge of MOD related business is highly desirable. A creative thinker with an intuitive feel for the business, you will need the ability to communicate effectively at all levels and adopt a pro-active stance, whilst displaying commercial awareness at all times.

Please apply directly to Rod Hutchings at Robert Half, Freeport 6 The Carronades, New Road, Southampton SO9 1BG. Telephone: 0703 23131. Alternatively, fax your details on 0703 23890.

Cray

£30-35,000+
Car + Benefits

Hampshire



Exceptional Opportunities in International Finance

Excellent Packages - London Based

A portfolio of innovative products and services, matched by a presence in all the major financial centres, serves to maintain J.P. Morgan's reputation as one of the world's premier banking and securities firms.

The development of the European operations has generated a further requirement to attract several outstanding individuals for high profile audit roles. These offer the successful candidates an opportunity to help shape the future of this integrated pan-European function.

Senior Manager Global Markets

The appointee will be responsible for managing a small multi-disciplinary team. The approach will be risk-based, with substantial front-office liaison, and will offer a unique insight into the complexities of the various business areas. For each of the products handled by the firm, an in-depth assessment is made and sophisticated control techniques are applied.

Candidates should possess strong academic backgrounds, in addition to first time passes at the professional exams, and be aged 28-32. A minimum of three years' experience in a demanding line role working with global markets products covering trading, accounting, operational and technical issues, is crucial. Product exposure should include a knowledge of securities and treasury products including derivatives.

In addition to an excellent basic salary, benefits include a car allowance, mortgage subsidy and profit sharing bonus scheme. As J.P. Morgan is a meritocracy where progress is dictated solely by your abilities, achievements and personal ambitions, it follows that exceptional career opportunities will exist throughout the banks operations.

For further information in strict confidence, please contact our advising consultants Brian Hamill or David Craig at the offices of Walker Hamill on 071-287 6285. Alternatively forward a brief resume to the London office at 29-30 Kingly Street, London W1R 5LB, quoting ref BH 869.

Recently Qualified Accountants

Two vacancies exist for high achieving individuals interested in securing dynamic finance roles. Working on a wide variety of assignments, you will be exposed to the most critical areas of the business and most of the products that are prevalent in today's markets.

A first or 2:1 degree in any subject, first time passes at the professional exams, creativity and a quick grasp of concepts are crucial. Candidates should have up to two years' post qualifying experience, with some exposure to the financial services sector through audit. In addition, one role will require an individual with a technical systems or computer audit background.

JPMorgan

Finance and Admin Managers x 2

Central Europe

£30-35,000 + Car + Accommodation + Tax Incentive

Our client is a world class organisation with a turnover for 1991 in excess of £2.5 billion. To drive their ambitious growth plans they are seeking to recruit key individuals to be based in Romania and Bulgaria.

Reporting to the country manager, and the UK controller, the role is a very broad one, requiring business acumen as much as accounting skills. The role will involve controlling cash, submitting financial information to UK Head Office, training local staff in accounting and internal controls, liaising with auditors, fiscal authorities, local legal advisers and banks. You will be a key figure in all matters financial and administrative concerning the operation and development of the country office.

The successful candidates must be fluent in English, both written and spoken. In addition, the position in Bulgaria requires a strong command of a Slavic language, (eg Bulgarian, Russian, Polish or Czech). The position in Romania requires a strong command of a Latin language (eg Romanian, French, Spanish or Italian). You will be a fully qualified accountant, married or single, aged 28-50, and willing to travel both nationally and internationally.

Interested applicants should send a full curriculum vitae to David Bloch, at Michael Page Finance, Page House, 39-41 Parker Street, London WC2B 5LH. Tel: 071-831 2000.



Michael Page Finance

Specialists in Financial Recruitment
London Bristol Windsor St Albans Leatherhead Birmingham
Nottingham Manchester Leeds Glasgow & Worldwide

FINANCIAL CONTROLLER

Japan Travel Bureau, leading tour operator and travel agent, invites applications from qualified accountants ACA, ACCA or ACMA to join our European Headquarters based in London.

As a senior member of the management team, and reporting to the Deputy Managing Director, you will be responsible for reviewing current systems and procedures, initially in our offices in London but developing across our European network, and implementing agreed changes to establish pan European financial controls. You will be responsible for creating greater financial awareness amongst managers and staff, and making a measurable contribution to the corporate plan.

Through the effective management of your small team you will also oversee the production of financial and statutory accounts and group consolidations, together with the supply of timely and high quality management information. You will also contribute to the costing of services as well as giving financial advice as required.

You will need to be a fully qualified accountant with 3-5 years experience at senior level. This senior post offers an excellent package which will be of interest to people currently earning c. £30,000.

Please forward CV, including salary and benefit details to

Mrs Janet FitzGerald
Personnel Manager
Japan Travel Bureau (Europe) Ltd
10 Maltravers Street
London WC2R 3EE



or call for a brief discussion on 071 379 6244, closing date for receipt of applications 29/1/93.

هكذا من العمل

Finance Director

RUSSIA

Excellent expatriate package

Our client is a major international company with world-wide operations in the field of testing and quality control services. The group is now looking to consolidate its operations and expand its business in the C.I.S.

As part of the senior management team the Finance Director should have:

- a formal accounting qualification
- proven experience in developing and maintaining efficient financial controls and other business management systems
- sound proficiency in treasury management
- fluency in Russian and English
- highly effective management and leadership skills
- knowledge and experience of computerised systems.

Above all you must be mature, have the ability to inspire others and display personal and professional standards of excellence.

This is an outstanding opportunity to undertake a professionally challenging career, within an exceptionally strong group, in an evolving market environment.

Any interested parties should please write to: Miranda Cahn at Nicholson International, Search and Selection Consultants, Africa House, 64/78 Kingsway, London WC2B 6AH, quoting reference 9726, alternatively fax your details on 071-404 8128, or telephone 071-404 5501 for an initial discussion.



NICHOLSON INTERNATIONAL

Treasury Professional

Heathrow

c. £32,000
+ Car + Benefits

Hoggett Bowers ADVERTISING

Our client is a global chemical company with world-wide sales approaching \$20 billion, operating in 32 countries and employing 62,000 people. The financial requirements of such a large corporation are both complex and diverse, requiring a high level of expertise and professionalism; they are managed by proactive Treasury teams situated throughout the world who ultimately report to the Corporate Treasurer in the United States. We are seeking a Treasury professional to join the UK Treasury Group based near Heathrow. As part of a small team, reporting to the Regional Treasurer, you will be responsible for planning the regions cash flow and balance sheet structure, managing its foreign exchange exposure and providing financial advice on leasing to other UK based functions. The successful candidate will be a graduate with an accounting, MBA or ACT qualification and at least five years Treasury experience in a corporate or financial environment. Ideally aged in your late 20's or early 30's you will have excellent analytical and communication skills and be a strong team player. PC literacy is essential.

To apply, please write enclosing a CV to: I Parry, Hoggett Bowers Advertising, 5 London Bridge Street, LONDON SE1 9SG. All applications will be forwarded directly to our client who will conduct the interviews.

INCE & CO. DIRECTOR OF FINANCE AND IT

Developing new systems
Enhancing performance
The City
To £60,000 + bonus

With its roots firmly in maritime and insurance, Ince & Co., a first-class law firm, has established an international reputation for professionalism. Its successful expansion into other areas of commercial law has involved it in solving problems and mediating disputes all over the world. To continue to meet the ongoing challenges in commerce and technology with informed management decisions, our client is looking for a finance specialist who can combine a high degree of foresight with the ability to implement new systems.

A key member of the executive, you will lead the 20-strong team, responsible for developing financial and information systems capable of meeting increased demands and enhancing overall profitability.

More specifically, this involves analysing existing accounting, financial control and information systems, making recommendations and progressing them through to implementation. In this demanding, high-profile role, it will be crucial that you are able to quickly establish credibility and inspire confidence in your expertise.

A graduate and fully qualified accountant, you should have substantial senior financial management experience gained in a legal or professional services environment. A proven record of improving financial controls and profitability should be backed by exceptional communication skills.

In return you will receive a highly competitive salary plus bonus, an attractive range of benefits and excellent career prospects.

To apply, please send your cv to Sue Knight, Ref:0779/SK/FT, PA Consulting Group, 123 Buckingham Palace Road, London SW1W 9SR.

PA Consulting Group

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Finance Director

TECHNOLOGY RESEARCH ORGANISATION

UP TO
£50,000,
+ CAR

NORTHERN ENGLAND

The company, £20m turnover, is at a critical stage of its development. A strong technology base, and a national and international profile achieved by a skilled and professional staff provides a promising basis for future growth. A progressive management team is looking to add to its present strengths those of a Finance Director whose key tasks will be:

- the introduction of enhanced financial and management controls;
- the provision of a high level financial resource in joint venture, acquisition and funding negotiations;
- to make a strong personal contribution to the improvement of business performance;
- the management of IT development.

The position requires a graduate qualified accountant, probably under 40, accustomed to operating at Board level in an organisation providing engineering services to industries preferably operating in a fast moving technological environment. Originality of thought, entrepreneurial leanings and a strong personality must be balanced by developed managerial ability. The business and creative environment is challenging and stimulating, and demands a high intellectual level.

Candidates should send a comprehensive CV or telephone for an application form to Howgate Sable & Partners, Arkwright House, Parsonage Gardens, Manchester M3 2LF. Tel: 061-839 2000, Fax: 061-839 0064, quoting reference (F.T.773A).

Howgate Sable

SEARCH AND SELECTION: EXECUTIVES AND INDEPENDENT DIRECTORS

Information Services Finance Director

Circa £50,000, car and share options

North London

Formed in mid 1992, our client has secured substantial funding and now seeks a Finance Director to complete its senior management team. Led by a highly respected entrepreneur with a proven track record, the company will offer an exciting new information technology service to an established marketplace. For the right individual the potential financial rewards are outstanding.

THE APPOINTMENT

- Establish a systems and financial reporting infrastructure to enable rapid and coherent growth of the business.
- Raise multi-million pound financing for further company expansion.
- Contribute to strategy and overall business development as a key member of the management team.

THE REQUIREMENTS

- Of graduate calibre, with a recognised accountancy qualification and/or MBA.
- A minimum of seven years' post-qualification experience, including running a hands-on financial accounting function.
- Experience of raising finance, with exposure to the UK markets of particular relevance.
- Highly computer literate, with drive, initiative and entrepreneurial flair.
- The presence and maturity to be credible at the highest levels within the financial community.

Please apply in writing with full CV and salary details quoting reference 90486/B to Susannah Truswell, K/F Associates, Pepys House, 12 Buckingham Street, London WC2N 6DF.

K/F ASSOCIATES
Selection & Search

Director of Finance

Location: West London
c£38,000 + package + car
(additional for exceptional candidates)

For over 30 years, The Richmond Fellowship has worked in the community care field pioneering aid for those recovering from mental health or addiction problems.

A registered charity and Housing Association, it runs community-based projects for all age groups from intensive rehabilitation programmes to supported housing projects, group homes and work schemes.

The past two years has seen major changes and restructuring to improve efficiency and further improvements are planned. Although these will take place against a backdrop of changing central government policy and funding, the aim of The Richmond Fellowship will remain unchanged:

"To strive to provide the most appropriate services to serve the client's best interests"

The Richmond Fellowship is now seeking an ACA or MBA qualified professional for this high profile post.

Someone with around 10 years experience at a senior level of which five should have been in a housing specialism.

The person we are seeking will need to possess the credibility to win the support of senior managers yet be able to communicate effectively at every level of The Richmond Fellowship's organisation. Naturally, such a person will possess the interpersonal skills to both influence and negotiate with external bodies at the highest of levels, be computer literate, a team worker and an imaginative and strategic thinker.

For an Application Form and Recruitment Pack (CVs will not be accepted), please contact our retained consultants. Applications should be returned by February 12th and initial testing and pre-selection interview will be held on March 1st. INSIGHT HUMAN RESOURCE & CONSULTANCY, NEW BARN FARM, NEW BARN LANE, HENFIELD, WEST SUSSEX BN9 9SJ. Tel: (0273) 494105. Fax: (0273) 494778.

The Richmond Fellowship

For Community Mental Health

Group Accountant

City

£32,000 + Car

Our client is an actively managed holding Group with a broad range of interests that include manufacturing, property, aviation, financial services and portfolio investments. With net assets now approaching £500m the Group has built its reputation on the management of quality businesses and is continuing to develop organically and by acquisition.

The Group now seeks to appoint a Group Accountant. In this new role, the successful candidate will work closely with and be a part of a small highly professional team at the head office. The position will include hands-on responsibility for financial reporting, the upgrade of systems and computerisation and other corporate ad hoc projects such as the enhancement of treasury administration for the group.

This is a high profile role involving exposure to senior executives including main board directors and as a consequence candidates, who will be qualified accountants probably in their late 20's, must be able to demonstrate technical excellence. The appointee must have a strong grounding in PC based systems and have a will to make a positive contribution to the management team coupled with an ability to get things done. Career prospects are excellent within this highly regarded Group.

Please write enclosing full Curriculum Vitae quoting ref 616 to: Philip Cartwright FCMA, Riverbank House, Putney Bridge Approach, London SW6 3JD. Tel: 071 371 9191 Fax: 071 371 9478

CARTWRIGHT CONSULTING
FINANCIAL SELECTION & SEARCH

APPOINTMENTS WANTED

AN ENERGETIC AND WIDELY EXPERIENCED INTERNATIONAL FINANCE DIRECTOR

Currently based Thames Valley specialising young, high growth sales & marketing lead organisations. Seeks new opportunities full or part time.

Please write to Box A675, Financial Times, One Southwark Bridge, London SE1 9HL

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For further information please call:

Tricia Strong on

071-873 3199

Andrew Skarzynski on

071-873 3607

Mark Hall-Smith on

071-873 3351

JoAnn Gredell

New York

212 752 4500

EUROPEAN FINANCE EXECUTIVE

C.A., UK National in late 30's, based in Paris/London, bilingual - experience as Finance Director responsible for UK, France, Holland, Switzerland, Luxembourg and Spain. Previously manager in "Big L" audit firm.

Experiences in financial services, property and commercial sectors. Knowledge of UK, US and international reporting but I am not only a "numbers" man but will contribute to business with enthusiasm and overall commercial skills. I seek either short term assignments or a full-time position based in the UK or the continent. References.

Write to Box A657, Financial Times, One Southwark Bridge, London SE1 9HL

Financial Analyst

The country's leading food retailer needs a bright, highly motivated individual to join its planning and appraisal function.

This small professional team enjoys a very high profile and plays a key role in advising management on financial and strategic issues. Specific areas of involvement include preparation of corporate plans, investment appraisals for new store developments, analysis of competitors' results and business development projects.

Suitable candidates will be young graduate, qualified accountants or MBA's with significant post qualification experience. Technical, analytical and communication skills of a high order are needed together with the ability to work with a minimum of supervision.

This position provides very good prospects for advancement within the group. An attractive salary and company car is offered together with a range of benefits including profit sharing and SAYE share options (after a short qualifying period) and BUPA.

Please write, enclosing full career and remuneration details, to the Central Staff Personnel Manager, J Sainsbury plc, Stamford House, Stamford Street, London SE1 9LL

We are an Equal Opportunities Employer

SAINSBURY'S

ACCOUNTANT/CONTROLLER Germanic Countries USA Multinational

German/English speaking accountants with a strong, pleasant personality, being customer focused, and able to be assistant to the manager of a 50 staff sales division, job based in Germany, some travel. PC based accounts, domestic and USA reporting, fantastic growing profitable company - excellent career prospects. Fax CV/business card in confidence for a more detailed information exchange Ref: 216 to:

John Weeks, 12 Crosby, Burbage, Marlborough, Wiltshire SN8 3TL England Fax: 0672-811148

Shaping a new era for Britain's car industry...

FINANCIAL ACCOUNTANT

Senior Specialist
c£30k + Lease Car & Benefits
Burnaston, Derbyshire

未来

CREATING THE FUTURE TOGETHER

Toyota's £700 million car assembly plant at Burnaston was completed on schedule. The same commitment to excellence through teamwork is now reflected in the new Carina E which started production - again to plan - in December.

Exceptional in many ways, not just in manufacturing techniques but also in the single status working environment, this major venture will ultimately employ 3,000 people and accelerate Britain's export drive through production of 200,000 cars a year.

This senior financial accounting position will present a stimulating challenge for a Chartered Accountant with non-management experience who has already held a Financial Controller post in industry. In addition to being familiar with the demands and disciplines of large company accounting, the post

demands in-depth knowledge of VAT, Duty, Export procedures, invoicing and multi-currency transactions, together with the skills to continue the evolution of high-quality systems.

If you have these abilities this is a superb career opportunity at an exciting time for someone with an open mind, a flexible attitude and a talent for teamwork. A generous package includes an excellent pension scheme, private health care and relocation assistance where necessary.

If you're ready to help us create the future, please send your full CV to Mrs Kathy Worsfield, (Ref FT/1), Human Resources Division, Toyota Motor Manufacturing (UK) Ltd, Burnaston, Derbyshire DE1 9TA.

Toyota Motor Manufacturing (UK) Ltd is an equal opportunities employer.



TOYOTA

Aberdeen Royal Hospitals NHS Trust

Director of Finance

c£45,000 + Bonus + Car

Aberdeen Royal Hospitals NHS Trust was one of the first to achieve Trust status in Scotland. Over 4300 are employed, annual revenues are around £109m and the Trust's forward business plan shows considerable investment in equipment and facilities, all geared to the highest possible quality of patient care. As Director of Finance, you will play a key role in the strategic development of the Trust in the longer term.

While obviously responsible for all financial management and systems, you will be expected to bring commercial acumen, proactive thinking and intellectual ability to the Trust as it continues to develop the widest range of services for the public it serves through contracts with purchasers. Ideally, you will be aged 35-45 and a formally qualified accountant, probably a C.A., who has had extensive experience in a large, complex, multi-faceted organisation which has experienced significant change. Salary will be negotiable around £45,000 and supported by a performance related bonus, car and relocation assistance to the Aberdeen area. Please apply, in strictest confidence, with full career details, to R. J. Cleland, as adviser to the Trust, at Selection Thomson Ltd., 1-11 Hay Hill, Berkeley Square, London W1X 7LF, or 14 Sandyford Place, Glasgow, G3 7NB.

Selection Thomson
London and Glasgow



LAURA ASHLEY

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Interested applicants should send a comprehensive c.v. including current salary and daytime telephone number to Phillip Price ACA, quoting reference 869, Touche Ross Executive Selection, at the address shown below.

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This is a high profile role and the rewards in terms of salary and benefits as well as promotional prospects are unlikely to disappoint the calibre of individual required.

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Applicants, both male and female, should apply in writing with full career details to Fiona Kelly, Mercuri Urval, Spencer House, 29 Grove Hill Road, Harrow, Middlesex HA1 3BN. Fax No. 081-861 1978, quoting reference FE/01/93.

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For further information or an informal discussion please contact Sharmila Sharon Parikh at Financial Selection Services, Drayton House, Gordon Street, London WC1H 0AN, or telephone her on 071-387 5400 (eves on 081-363 0474).

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ACCOUNTING FOR GROWTH

Is Creative Accounting Still Alive After The ASB?

on Wednesday 24th February 1993 at
The London Marriott Hotel, Grosvenor Square, W1
8.15am - 9.30am

on Wednesday 3rd March 1993 at
The Runnymede Hotel, Windsor Road, Egham, Surrey
8.15am - 9.30am

Few business books have caused as much controversy as Terry Smith's 'Accounting For Growth'. The contents of the best selling business book of 1992 cost Terry Smith his £325,000 job as head of research at UBS Phillips & Drew and pioneered the author to celebrity status.

One year on, Terry Smith examines what has happened as a result of this runaway publishing success which put a big question mark over whether the growth in company profits in the eighties was down to increased proficiency or manipulating profits by creative accounting.

At this Robert Half and Financial Times Business Breakfast, Terry Smith asks the vital question:

Is creative accounting skill alive after the ASB?

In answering the question, Terry Smith looks at the techniques under fire including:

- Acquisition accounting
- Disposals
- Off balance sheet finance
- Brand accounting
- Pension fund accounting
- Currency mismatching

Terry Smith also examines:

- FRS1 and cash flow
- FRS2 and accounting for subsidiary undertakings
- FRS3 and reporting of financial performance

Places at the Breakfast are strictly limited.

If you wish to attend either of the Free Business Breakfasts, please write to the appropriate office below.

London:
Rachelle Nelson at Robert Half
Walker House, 418 The Strand, London
WC2R 0PT.

Surrey:
Saraan Platt at Robert Half
Princess Beatrix House, Victoria Street,
Windsor, Berks SL4 1EH.



THE HUMAN FACTOR

COMMODITIES AND AGRICULTURE

Global coffee prices slip ahead of London talks

By Richard Mooney

THE SLIDE in world coffee prices continued yesterday as producers' expressions of confidence about next week's London talks on negotiating a new price-supporting International Coffee Agreement failed to impress traders.

The March delivery price at the London Futures and Options Exchange's robusta coffee market dipped to \$87.7 a tonne at one point before ending \$26 down on the day at \$88.4 a tonne. That was down \$81 from the end of last week and \$198 from the peak reached less than a month ago. Some traders pointed out, however, that recent falls - which reflected heavy investment fund selling in the New York market - had created an "oversold" technical situation, and suggested a "bounce" was due.

Malaysian cocoa output revised up

MALAYSIA'S COCOA Board has raised its 1992 cocoa output estimate to 300,000 tonnes from 184,000, but some traders said the actual figure could be much higher, reports Reuters from Taiwan.

Traders in the east Malaysian state of Sabah estimated 1992 cocoa supply, including carry-over stocks, could reach 335,000 tonnes, compared with 230,000 in 1991 and 247,000 in 1990.

"Good rains in the latter part of the year and big year-end crop made up the production figures," said a senior trader. Other traders in the Tawau, Sabah's main cocoa-producing region, said some estates saw a 30 to 40 per cent rise in the present main October-December season.

Malaysia's cocoa area is estimated to have fallen to 388,700 hectares (960,000 acres) from 400,300 ha in 1991 and a peak of 420,300 ha in 1990 as growers, hit by depressed prices, have turned to other crops.

Freak flooding hits desert copper mines

By Kenneth Gooding, Mining Correspondent

AMERICAN COPPER companies are assessing the financial damage they suffered when freak storms dumped half the average annual rainfall on the Arizona desert in only ten days. The region accounts for about 10 per cent of the western world's copper mine production.

The deluge flooded open-pit mines, washed away rail links and dented the cyanide solutions used to leach metal from ore dumps more usually drenched in sunshine.

Companies said yesterday it might take several weeks to gauge the impact on copper production and add up the extra costs. There are four important copper producers operating in Arizona - Asarco, Cyprus Minerals, Magma Copper and Phelps Dodge - with

about 15 mines and three smelters.

Mr David Ridinger, president of the Arizona Mining Association, summed up the situation by pointing out that in an average year the town of Phoenix expected seven inches of rain. In 1992 double that amount fell on the town - in January alone this year there was five inches of rain. "We've been hit by three or four storms and tornadoes which just would not quit," he added.

The usually-dry river bed running through Phoenix was now half a mile wide with 100,000 cubic feet a second of water rushing through. "We've sometimes had an inch of rain in half an hour and this is a desert so there's no vegetation to stop it running."

"Phoenix is not a mining town but miners with property near the river have been more interested in protecting their

homes than going to work," said Mr Ridinger.

The mining companies' biggest problem was dealing with the water, he said. Environmental regulations prevented them from simply pumping water out of pits threatened with flooding. It had to be pumped to areas - perhaps diked pits - where it could be contained until it was analysed for any contamination.

Apart from diluting the cyanide solutions sprinkled on the out-door heaps of ore, the rain also washed mud into the so-called pregnant ponds where solutions heavy with metal are stored. This was causing "grunk problems" when the solutions were processed.

Rumours that Asarco's smelter at Hayden had been forced to shut because of the weather conditions were dismissed by the company, which said the plant had been scheduled to close between January 12 and February 17 for routine maintenance.

However, Asarco's Hayden concentrator shut down because the rail line linking it with the Ray mine was flooded. Some metal solution had spilled into the nearby Mineral Creek but tests showed there had been no environmental damage and Asarco said that in the future. Asarco said that the past ten days there had been 7.5 inches of rain at the Ray mine and in December there had been 6.9 inches. This compared with average annual precipitation of 17.5 inches.

Magma had to stop production at its Pinto Valley mine, which has an average annual output of 90,000 tonnes of copper, because of flooding. An official said there was at least 26 feet of water in one area. However, Magma's San Manuel mine and associated smelting/

refining operations, accounting for about 25 per cent of US copper smelting capacity, were not affected.

An official at Phelps Dodge, the biggest US copper group, said: "We haven't lost any copper, it's just taking longer to get it out." The deluge, however, would increase the group's costs because a Southern Pacific rail link was washed away and material from the Morenci mine was being sent by road to the smelter 100 miles away.

Cyprus was also forced to switch concentrate shipments to trucks because the East Arizona Railways line linked with its Miami smelter was washed away.

A Cyprus official said Arizona producers were swapping copper concentrates with one another to ensure production continued and sales commitments were met.

China dominates world tungsten production and has frequently been accused of dumping tungsten on western markets.

There are market rumours that Chinese mines are at a standstill because Russia, previously the biggest consumer of the metal and which imported more than 5,000 tonnes a year from China, has stopped buying.

The International Tungsten

Canada considers customs tariffs

By Bernard Simon in Toronto

CANADA HAS made a substantial concession to its partners in the Uruguay round by agreeing to consider replacing production quotas and import controls with customs tariffs to protect dairy, poultry and egg farmers.

Retention of the "supply management" system has been one of Ottawa's most pressing concerns during the Uruguay Round. Government officials insist that customs duties, which could be as high as 300 per cent on some types of cheese, will provide the same degree of protection for farmers as supply management. But the realisation is gradually taking hold that far-reaching reforms - if not the gradual dismantling - of supply management are inevitable.

Producers have warned that

their survival against lower-cost competitors in the US and Mexico depends on the quotas and other controls presently permitted under Article XI of the GATT. Dairy farmers in Quebec, who make up 40 per cent of the total, exert strong political influence. The government was especially nervous of offending them in the run-up to last October's constitutional referendum. In deference to the dairy lobby, Ottawa has delayed implementing a GATT finding against curbs on yogurt and ice cream imports.

Canada has found little support for its view among other GATT members, and its stance on supply management has made life uncomfortable for the Canadians in the Cairns group of farm-exporting countries. A senior trade official said that backing expected from Switzerland and Japan

has not materialised, adding "we cannot impose our views on the rest of the world."

Pressure for change has also come from food processors which are increasingly turning to foreign suppliers for items such as frozen pizzas and butter cookies, which contain dairy products, but less than the 50 per cent which would subject them to import controls. Supply management has kept Canadian food prices unusually high. Processors buy milk for 60 Canadian cents a litre in Ontario; across the Niagara Falls, in New York state, it costs 35 cents. Although Canadian farmers are almost as efficient as their US counterparts, the rules allow them to inflate their costs, for instance, by charging voluntary work done by a teenager on at the same rate as industrial wages in the nearest town.

Tungsten mine closes as market demand collapses

By Kenneth Gooding

A VIRTUAL collapse in demand has forced the closure of one of Europe's two remaining tungsten mines while the other is to cut production and employment by about two-thirds. In 1991 the two mines accounted for about 35 per cent of tungsten production outside the former eastern bloc.

The Mitterteill mine in Austria, previously one of the western world's biggest producers with an output of about 1,400 tonnes a year, has been put on a "care and maintenance"

basis this month. Mitterteill's operating company, Wolfram Bergbau, is a subsidiary of Metallgesellschaft of Germany.

Meanwhile, employees at the Passqueira mine in northern Portugal, have been told that unless they agree to drastic cuts it would also have to be put on care and maintenance until tungsten prices improve substantially.

Tungsten is a very dense material and has the highest melting point of any metal. Its principal uses are in cemented carbides, alloyed steels, super

alloys, electrical and electronic products and armaments.

At the Portuguese mine plants have been made to reduce present annual production of 1,200 tonnes of tungsten contained in concentrate - about 16 per cent of western world output of the metal - to 450 tonnes while the workforce would be reduced from 640 to 260.

Minorco, the Luxembourg-quoted investment arm of the Anglo American Corporation of South Africa, which in October, 1990, paid £14.5m for 80.5 per cent of the mine's operat-

ing company, has told unions represented at the mine it wants to complete the changes by the end of March.

China dominates world tungsten production and has frequently been accused of dumping tungsten on western markets.

There are market rumours that Chinese mines are at a standstill because Russia, previously the biggest consumer of the metal and which imported more than 5,000 tonnes a year from China, has stopped buying.

The International Tungsten

Industry Association estimates that production outside the former eastern bloc dropped from 7,500 tonnes in 1991 to 6,000 tonnes last year because of recession in many industrialised countries and falling armaments production. Before the Portuguese cuts were announced, it was predicting a further fall in output this year to 5,000 tonnes. Mr Michael Mabry, secretary-general of the association, said yesterday: "On paper the market looks in balance but any increase in demand could be supplied by China very cheaply indeed."

Analysts downgrade price forecasts as lead and zinc exports surge

By Kenneth Gooding

SHOCKED BY a dramatic surge in exports of lead and zinc from the former eastern bloc countries, some analysts have been revising downwards their price forecasts.

Preliminary estimates yesterday from the International Lead and Zinc Study Group

suggested that net imports of lead to the west from the eastern bloc last year nearly tripled, from 49,000 tonnes in 1991 to 130,000 tonnes.

This pushed the lead market in the west into a supply surplus of about 85,000 tonnes compared with a 6,000-tonne deficit in 1991.

On Wednesday the Study

Group's statistics showed a similar situation in the zinc market - eastern bloc exports more than doubled last year, causing the supply surplus to rise from 86,000 to 238,000 tonnes. Mr Nick Moore, analyst at Ord Minnett, part of the Westpac banking group, said: "This news is far worse than even pessimistic observers had

forecast". He said he was adjusting predictions he made at the end of last year and cutting the average lead price forecast for this year by 11 per cent to 24 US cents a lb. His forecast for 1994 is down 9 per cent to 30 cents. Mr Moore's zinc price forecasts for 1993 and 1994 are cut respectively by 10 per cent and 7 per

cent to 54 cents and 85 cents a lb.

The study group said preliminary estimates suggested that mine production of lead last year was down 1.8 per cent to 3.323m tonnes, and refined metal output also fell, 0.4 per cent, to 4.4m tonnes. Lead consumption slipped 0.8 per cent to 4.43m tonnes.

Norway boosted crude oil production by 14% in 1992

By Karen Fosell in Oslo

NORWAY LAST year boosted crude oil production by 14 per cent and gas production by 5 per cent, while adding significant reserves which comfortably exceeded aggregate production, according to a report published yesterday.

Edinburgh-based Wood MacKenzie says Norway's oil production attained a record average level of 3.21m barrels a day

Bad weather has forced the closure of the Ninian platform, one of the largest in the UK sector of the North Sea, producing 70,000 barrels a day. Other fields affected include Beryl/Ness, Magnus and North Ayr. North Sea oil prices rose, with the February contract for Brent crude gaining 15 cents to \$17.

production of 985m barrels, the report says. Although drilling activity fell 11 per cent to 29 completed wells, ten new discoveries yielded about 27m barrels of oil equivalent per well, representing a success

rate of 34 per cent. WoodMac says Statoil, the Norwegian state oil company, made the most significant discovery, of about 260m barrels of oil, but Norsk Hydro drilled more wells. Statoil found the oil in the relatively unexplored Nordland II area of the mid-Norwegian shelf.

Separately, the analyst believes the most sought after acreage in Norway's 14th licensing round is found in the

northern North Sea where some of the largest oil discoveries off Norway have been made. Applications for the 50 blocks and part blocks on offer have to be submitted by March 1 and allocation is expected in the third quarter.

"Despite the harsher fiscal terms which were introduced during early 1992, we expect companies to compete aggressively for the acreage made available," WoodMac says.

Ferronickel producer halts second furnace

CERRO MATOSO, one of the world's top ferronickel producers, has frozen plans to build a second furnace at its Colombian refinery because of low world prices, rising production costs and a government proposal to increase royalties, reports Reuters from Bogotá.

Mr German del Corral, president of the company, which is 52.3 per cent owned by the Royal Dutch/Shell Group, said the company decided to suspend the \$600m project early

this month. He explained the decision to suspend the project, which would have nearly doubled production and made it the world's second largest producer of the material, was made after the Ministry of Mines reopened negotiations on royalties and proposed a higher rate.

He said the proposal, which would fix the rate at 15 per cent, rather than gradually increase it from 8 to 16 per cent as output rose, was the last of

a combination of factors that rendered the project unfeasible.

"There were many negative factors," he said, citing higher taxes, rising production costs and a widening gap between local inflation and the devaluation of the peso.

The world market price of nickel was also a factor, he added. At \$2.70 a lb, it was not worth going ahead with the project.

WORLD COMMODITIES PRICES

MARKET REPORT

The London Metal Exchange's three-month LEAD prices fell below a technical support level yesterday to reach the lowest level for 11 months. As bearish fundamentals were underlined by a report from the International Lead and Zinc Study Group (see story above) the price declined \$4 to \$286.25 a tonne - and the fall would have been twice that but for sterling's weakness against the US dollar. The COPPER market was described by traders as featureless and £20 of the three months position's £25 rise to £1,482.25 a tonne was attributable to the

currency factor. The TIN market's cautious rise continued with the three months position closing \$67.50 higher at \$5,065 a tonne. But the advance was trimmed in after hours trading, which ended with the price at \$5,030 a tonne. Precious metals moved high but failed to break through overhead resistance. GOLD closed 50 cents up at \$330.05 a tonne while PLATINUM was \$3 higher at \$373.50 a tonne. Gold dealers said they had hoped producers might hold off selling to clear space for gold above \$330 an ounce.

Compiled from Reuters

London Markets

SPOT MARKETS

Crude oil (per barrel FOB) Mar +0.01

Dubai \$15.00-0.05 +0.20

Brent Blend (dated) \$16.85-0.05 +0.30

Brent Blend (Mar) \$17.25-0.30 +0.20

WTI (1 pm est) \$18.75-0.50 +0.10

Oil products

WTMS prompt delivery per tonne CIF +0.01

Premium Gasoline \$182.184 +1

Gas Oil \$172.174 +1

Heavy Fuel Oil \$70.71 +1

Naphtha \$172.174 +1

Petroleum Argus Estimates

Other

Gold (per troy oz) \$330.05 +0.5

Silver (per troy oz) \$7.35c +3

Platinum (per troy oz) \$864.90 +7.15

Palladium (per troy oz) \$111.25 +2.85

Copper (US Producer) 106.5c

Lead (US Producer) 33.5c

Tin (Kuala Lumpur market) \$2581.0

Tin (New York) \$275.00

Zinc (US Prime Western) 60.0c

Cattle (live weight) 117.50p -0.82

Sheep (live weight) 85.10p -4.28

Pigs (live weight) 81.30p +1.53

London daily sugar (raw) \$216.50 -1.5

London daily sugar (white) \$258.00 +2.0

Tale and Lyle export price \$249.50 +0.5

Barley (English feed) \$135.50

Melroe (US No. 3 yellow) \$1.6175

Cotton "A" index \$59.80c +0.45

Wooltops (54s Super) 388p

FRUIT & VEGETABLES

Grapfruit is this week's best buy reports the FFVB. White fleshed varieties are at 16-25p each with pink varieties at 15-25p each. Oranges are also a good at 10-15p each along with lemons at 15-25p each and Seville oranges at 35-40p a lb. Apples remain at a stable price of 30-40p for Granny Smith and 45-50p a lb for British Columbia Red Delicious. English carrots are at 10-20p a lb, potatoes are 10-14p a lb, seamy potatoes are 25-35p a lb and English onions are 15-20p a lb. Tomatoes from Spain and the Canary Islands are plentiful this week at 65-75p a lb

| COCOA - London POX | | | | 2/ton |
|---|-------|----------|----------|-------|
| | Close | Previous | High/Low | |
| Mar | 720 | 722 | 732 722 | |
| May | 720 | 722 | 742 732 | |
| Jul | 720 | 722 | 758 748 | |
| Sep | 723 | 728 | 784 758 | |
| Dec | 762 | 774 | 782 772 | |
| Mar | 802 | 796 | 804 796 | |
| May | 816 | 808 | 817 808 | |
| Jul | 828 | 828 | 829 824 | |
| Sep | 842 | 845 | 854 834 | |
| Dec | 866 | | 881 | |
| Turnover: 9888 (8288) lots of 10 tonnes | | | | |
| ICCC Indicator prices (\$/00rs per tonne). Data for Jan 20 771.57 (762.28) 10 day average | | | | |

FT-SE Actuaries Share Indices THE UK SERIES

INVESTMENT TRUSTS - Cont.**INVESTMENT TRUSTS - Cont.**

| | | | | | | |
|-----|------|-----|-----|----|------|------|
| 200 | 2150 | 305 | 302 | 37 | 39.6 | -4.5 |
| 220 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 230 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 240 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 250 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 260 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 270 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 280 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 290 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 300 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 310 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 320 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 330 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 340 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 350 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 360 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 370 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 380 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 390 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 400 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 410 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 420 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 430 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 440 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 450 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 460 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 470 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 480 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 490 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 500 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 510 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 520 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 530 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 540 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 550 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 560 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 570 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 580 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 590 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 600 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 610 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 620 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 630 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 640 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 650 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 660 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 670 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 680 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 690 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 700 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 710 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 720 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 730 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 740 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 750 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 760 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 770 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 780 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 790 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 800 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 810 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 820 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 830 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 840 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 850 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 860 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |
| 870 | 170 | 305 | 302 | 37 | 39.6 | -4.5 |

| | | |
|--------------|-----|--------|
| Warracka | 12 | 18 |
| German Smith | 147 | +1 178 |

| | | | | |
|-----|-----|------|------|------|
| 191 | 120 | 8.0 | 22.9 | 17.8 |
| 238 | 180 | 8.2 | 26.3 | 11.8 |
| 145 | 82 | 8.4 | 18.5 | 27.3 |
| 347 | 286 | 8.4 | 28.1 | 18.2 |
| 89 | 28 | 0.4 | - | - |
| 40 | 17 | - | 38.8 | 42.8 |
| 204 | 22 | 1.9 | 42.5 | 26.3 |
| 103 | 80 | 1.2 | 13.7 | 28.3 |
| 84 | 82 | 0.8 | - | - |
| 104 | 82 | - | - | - |
| 268 | 274 | - | - | - |
| 10 | 7 | 7.8 | 19.3 | 0.7 |
| 23 | 19 | 1.0 | 21.4 | 19.8 |
| 116 | 139 | 21.4 | - | - |
| 150 | 194 | 6.2 | 45.7 | 38.0 |
| 285 | 8 | - | - | - |
| 202 | 242 | - | - | - |
| 188 | 70 | 11.8 | 63.8 | 11.8 |

| | | | |
|-----------------------|-----|-----|-----|
| 1/2" B UK Sinter Carb | 100 | 100 | 100 |
| Wettable | 100 | 100 | 100 |
| Isotomized | 100 | 100 | 100 |

| | | | | | | |
|-----|---|----|-----|-------|-----|-----|
| 128 | 0 | 5 | 8.4 | 739.5 | 1.2 | 5.0 |
| 129 | 0 | 6 | 7.9 | 739.5 | 1.2 | 5.0 |
| 130 | 0 | 7 | 7.3 | 739.5 | 1.2 | 5.0 |
| 131 | 0 | 8 | 6.6 | 739.5 | 1.2 | 5.0 |
| 132 | 0 | 9 | 5.9 | 739.5 | 1.2 | 5.0 |
| 133 | 0 | 10 | 5.2 | 739.5 | 1.2 | 5.0 |
| 134 | 0 | 11 | 4.5 | 739.5 | 1.2 | 5.0 |
| 135 | 0 | 12 | 3.8 | 739.5 | 1.2 | 5.0 |
| 136 | 0 | 13 | 3.1 | 739.5 | 1.2 | 5.0 |
| 137 | 0 | 14 | 2.4 | 739.5 | 1.2 | 5.0 |
| 138 | 0 | 15 | 1.7 | 739.5 | 1.2 | 5.0 |
| 139 | 0 | 16 | 1.0 | 739.5 | 1.2 | 5.0 |
| 140 | 0 | 17 | 0.3 | 739.5 | 1.2 | 5.0 |
| 141 | 0 | 18 | 0.0 | 739.5 | 1.2 | 5.0 |
| 142 | 0 | 19 | 0.0 | 739.5 | 1.2 | 5.0 |
| 143 | 0 | 20 | 0.0 | 739.5 | 1.2 | 5.0 |
| 144 | 0 | 21 | 0.0 | 739.5 | 1.2 | 5.0 |
| 145 | 0 | 22 | 0.0 | 739.5 | 1.2 | 5.0 |
| 146 | 0 | 23 | 0.0 | 739.5 | 1.2 | 5.0 |
| 147 | 0 | 24 | 0.0 | 739.5 | 1.2 | 5.0 |
| 148 | 0 | 25 | 0.0 | 739.5 | 1.2 | 5.0 |
| 149 | 0 | 26 | 0.0 | 739.5 | 1.2 | 5.0 |
| 150 | 0 | 27 | 0.0 | 739.5 | 1.2 | 5.0 |
| 151 | 0 | 28 | 0.0 | 739.5 | 1.2 | 5.0 |
| 152 | 0 | 29 | 0.0 | 739.5 | 1.2 | 5.0 |
| 153 | 0 | 30 | 0.0 | 739.5 | 1.2 | 5.0 |
| 154 | 0 | 31 | 0.0 | 739.5 | 1.2 | 5.0 |
| 155 | 0 | 32 | 0.0 | 739.5 | 1.2 | 5.0 |
| 156 | 0 | 33 | 0.0 | 739.5 | 1.2 | 5.0 |
| 157 | 0 | 34 | 0.0 | 739.5 | 1.2 | 5.0 |
| 158 | 0 | 35 | 0.0 | 739.5 | 1.2 | 5.0 |
| 159 | 0 | 36 | 0.0 | 739.5 | 1.2 | 5.0 |
| 160 | 0 | 37 | 0.0 | 739.5 | 1.2 | 5.0 |
| 161 | 0 | 38 | 0.0 | 739.5 | 1.2 | 5.0 |
| 162 | 0 | 39 | 0.0 | 739.5 | 1.2 | 5.0 |
| 163 | 0 | 40 | 0.0 | 739.5 | 1.2 | 5.0 |
| 164 | 0 | 41 | 0.0 | 739.5 | 1.2 | 5.0 |
| 165 | 0 | 42 | 0.0 | 739.5 | 1.2 | 5.0 |
| 166 | 0 | 43 | 0.0 | 739.5 | 1.2 | 5.0 |
| 167 | 0 | 44 | 0.0 | 739.5 | 1.2 | 5.0 |
| 168 | 0 | 45 | 0.0 | 739.5 | 1.2 | 5.0 |
| 169 | 0 | 46 | 0.0 | 739.5 | 1.2 | 5.0 |
| 170 | 0 | 47 | 0.0 | 739.5 | 1.2 | 5.0 |
| 171 | 0 | 48 | 0.0 | 739.5 | 1.2 | 5.0 |
| 172 | 0 | 49 | 0.0 | 739.5 | 1.2 | 5.0 |
| 173 | 0 | 50 | 0.0 | 739.5 | 1.2 | 5.0 |
| 174 | 0 | 51 | 0.0 | 739.5 | 1.2 | 5.0 |
| 175 | 0 | 52 | 0.0 | 739.5 | 1.2 | 5.0 |
| 176 | 0 | 53 | 0.0 | 739.5 | 1.2 | 5.0 |
| 177 | 0 | 54 | 0.0 | 739.5 | 1.2 | 5.0 |
| 178 | 0 | 55 | 0.0 | 739.5 | 1.2 | 5.0 |
| 179 | 0 | 56 | 0.0 | 739.5 | 1.2 | 5.0 |
| 180 | 0 | 57 | 0.0 | 739.5 | 1.2 | 5.0 |
| 181 | 0 | 58 | 0.0 | 739.5 | 1.2 | 5.0 |
| 182 | 0 | 59 | 0.0 | 739.5 | 1.2 | 5.0 |
| 183 | 0 | 60 | 0.0 | 739.5 | 1.2 | 5.0 |
| 184 | 0 | 61 | 0.0 | 739.5 | 1.2 | 5.0 |
| 185 | 0 | 62 | 0.0 | 739.5 | 1.2 | 5.0 |
| 186 | 0 | 63 | 0.0 | 739.5 | 1.2 | 5.0 |
| 187 | 0 | 64 | 0.0 | 739.5 | 1.2 | 5.0 |
| 188 | 0 | 65 | 0.0 | 739.5 | 1.2 | 5.0 |
| 189 | 0 | 66 | 0.0 | 739.5 | 1.2 | 5.0 |
| 190 | 0 | 67 | 0.0 | 739.5 | 1.2 | 5.0 |
| 191 | 0 | 68 | 0.0 | 739.5 | 1.2 | 5.0 |
| 192 | 0 | 69 | 0.0 | 739.5 | 1.2 | 5.0 |
| 193 | 0 | 70 | 0.0 | 739.5 | 1.2 | 5.0 |
| 194 | 0 | 71 | 0.0 | 739.5 | 1.2 | 5.0 |
| 195 | 0 | 72 | 0.0 | 739.5 | 1.2 | 5.0 |
| 196 | | | | | | |

| | | |
|--------------------|----|---------------|
| Capital _____ | 22 | Percent _____ |
| Ground Value _____ | 23 | Percent _____ |

| | | | | |
|-----|------|-----|-----|------|
| 102 | 42.5 | 8.5 | 9.2 | -2.5 |
| 103 | 42.5 | 8.5 | 9.2 | -2.5 |
| 104 | 42.5 | 8.5 | 9.2 | -2.5 |
| 105 | 42.5 | 8.5 | 9.2 | -2.5 |
| 106 | 42.5 | 8.5 | 9.2 | -2.5 |
| 107 | 42.5 | 8.5 | 9.2 | -2.5 |
| 108 | 42.5 | 8.5 | 9.2 | -2.5 |
| 109 | 42.5 | 8.5 | 9.2 | -2.5 |
| 110 | 42.5 | 8.5 | 9.2 | -2.5 |
| 111 | 42.5 | 8.5 | 9.2 | -2.5 |
| 112 | 42.5 | 8.5 | 9.2 | -2.5 |
| 113 | 42.5 | 8.5 | 9.2 | -2.5 |
| 114 | 42.5 | 8.5 | 9.2 | -2.5 |
| 115 | 42.5 | 8.5 | 9.2 | -2.5 |
| 116 | 42.5 | 8.5 | 9.2 | -2.5 |
| 117 | 42.5 | 8.5 | 9.2 | -2.5 |
| 118 | 42.5 | 8.5 | 9.2 | -2.5 |
| 119 | 42.5 | 8.5 | 9.2 | -2.5 |
| 120 | 42.5 | 8.5 | 9.2 | -2.5 |
| 121 | 42.5 | 8.5 | 9.2 | -2.5 |
| 122 | 42.5 | 8.5 | 9.2 | -2.5 |
| 123 | 42.5 | 8.5 | 9.2 | -2.5 |
| 124 | 42.5 | 8.5 | 9.2 | -2.5 |
| 125 | 42.5 | 8.5 | 9.2 | -2.5 |
| 126 | 42.5 | 8.5 | 9.2 | -2.5 |
| 127 | 42.5 | 8.5 | 9.2 | -2.5 |
| 128 | 42.5 | 8.5 | 9.2 | -2.5 |
| 129 | 42.5 | 8.5 | 9.2 | -2.5 |
| 130 | 42.5 | 8.5 | 9.2 | -2.5 |
| 131 | 42.5 | 8.5 | 9.2 | -2.5 |
| 132 | 42.5 | 8.5 | 9.2 | -2.5 |
| 133 | 42.5 | 8.5 | 9.2 | -2.5 |
| 134 | 42.5 | 8.5 | 9.2 | -2.5 |
| 135 | 42.5 | 8.5 | 9.2 | -2.5 |
| 136 | 42.5 | 8.5 | 9.2 | -2.5 |
| 137 | 42.5 | 8.5 | 9.2 | -2.5 |
| 138 | 42.5 | 8.5 | 9.2 | -2.5 |
| 139 | 42.5 | 8.5 | 9.2 | -2.5 |
| 140 | 42.5 | 8.5 | 9.2 | -2.5 |
| 141 | 42.5 | 8.5 | 9.2 | -2.5 |
| 142 | 42.5 | 8.5 | 9.2 | -2.5 |
| 143 | 42.5 | 8.5 | 9.2 | -2.5 |
| 144 | 42.5 | 8.5 | 9.2 | -2.5 |
| 145 | 42.5 | 8.5 | 9.2 | -2.5 |
| 146 | 42.5 | 8.5 | 9.2 | -2.5 |
| 147 | 42.5 | 8.5 | 9.2 | -2.5 |
| 148 | 42.5 | 8.5 | 9.2 | -2.5 |
| 149 | 42.5 | 8.5 | 9.2 | -2.5 |
| 150 | 42.5 | 8.5 | 9.2 | -2.5 |
| 151 | 42.5 | 8.5 | 9.2 | -2.5 |
| 152 | 42.5 | 8.5 | 9.2 | -2.5 |
| 153 | 42.5 | 8.5 | 9.2 | -2.5 |
| 154 | 42.5 | 8.5 | 9.2 | -2.5 |
| 155 | 42.5 | 8.5 | 9.2 | -2.5 |
| 156 | 42.5 | 8.5 | 9.2 | -2.5 |
| 157 | 42.5 | 8.5 | 9.2 | -2.5 |
| 158 | 42.5 | 8.5 | 9.2 | -2.5 |
| 159 | 42.5 | 8.5 | 9.2 | -2.5 |
| 160 | 42.5 | 8.5 | 9.2 | -2.5 |
| 161 | 42.5 | 8.5 | 9.2 | -2.5 |
| 162 | 42.5 | 8.5 | 9.2 | -2.5 |
| 163 | 42.5 | 8.5 | 9.2 | -2.5 |
| 164 | 42.5 | 8.5 | 9.2 | -2.5 |
| 165 | 42.5 | 8.5 | 9.2 | -2.5 |
| 166 | 42.5 | 8.5 | 9.2 | -2.5 |
| 167 | 42.5 | 8.5 | 9.2 | -2.5 |
| 168 | 42.5 | 8.5 | 9.2 | -2.5 |
| 169 | 42.5 | 8.5 | 9.2 | -2.5 |
| 170 | 42.5 | 8.5 | 9.2 | -2.5 |
| 171 | 42.5 | 8.5 | 9.2 | -2.5 |
| 172 | 42.5 | 8.5 | 9.2 | -2.5 |
| 173 | 42.5 | 8.5 | 9.2 | -2.5 |
| 174 | 42.5 | 8.5 | 9.2 | -2.5 |
| 175 | 42.5 | 8.5 | 9.2 | -2.5 |
| 176 | 42.5 | 8.5 | 9.2 | -2.5 |
| 177 | 42.5 | 8.5 | 9.2 | -2.5 |
| 178 | 42.5 | 8.5 | 9.2 | -2.5 |
| 179 | 42.5 | 8.5 | 9.2 | -2.5 |
| 180 | 42.5 | 8.5 | 9.2 | -2.5 |
| 181 | 42.5 | 8.5 | 9.2 | -2.5 |
| 182 | 42.5 | 8.5 | 9.2 | -2.5 |
| 183 | 42.5 | 8.5 | 9.2 | -2.5 |
| 184 | 42.5 | 8.5 | 9.2 | -2.5 |
| 185 | 42.5 | 8.5 | 9.2 | -2.5 |
| 186 | 42.5 | 8.5 | 9.2 | -2.5 |
| 187 | 42.5 | 8.5 | 9.2 | -2.5 |
| 188 | 42.5 | 8.5 | 9.2 | -2.5 |
| 189 | 42.5 | 8.5 | 9.2 | -2.5 |
| 190 | 42.5 | 8.5 | 9.2 | -2. |

| | | | | |
|-----------------|-----|----|-----|-----|
| 2000 Low PPI | 148 | +2 | 146 | 113 |
| Burray Vertices | 200 | — | 204 | 16 |

| | | | | |
|-----|------|-----|-------|------|
| 89 | 44% | 8.8 | 77.3 | 25.8 |
| 90 | 125% | 7.8 | 82.3 | 28.8 |
| 91 | 100 | 7.8 | 82.3 | 28.8 |
| 100 | 73 | 3 | 104.1 | 68.6 |
| 101 | 73 | 3 | 104.1 | 68.6 |
| 102 | 73 | 3 | 104.1 | 68.6 |
| 103 | 73 | 3 | 104.1 | 68.6 |
| 104 | 73 | 3 | 104.1 | 68.6 |
| 105 | 73 | 3 | 104.1 | 68.6 |
| 106 | 73 | 3 | 104.1 | 68.6 |
| 107 | 73 | 3 | 104.1 | 68.6 |
| 108 | 73 | 3 | 104.1 | 68.6 |
| 109 | 73 | 3 | 104.1 | 68.6 |
| 110 | 73 | 3 | 104.1 | 68.6 |
| 111 | 73 | 3 | 104.1 | 68.6 |
| 112 | 73 | 3 | 104.1 | 68.6 |
| 113 | 73 | 3 | 104.1 | 68.6 |
| 114 | 73 | 3 | 104.1 | 68.6 |
| 115 | 73 | 3 | 104.1 | 68.6 |
| 116 | 73 | 3 | 104.1 | 68.6 |
| 117 | 73 | 3 | 104.1 | 68.6 |
| 118 | 73 | 3 | 104.1 | 68.6 |
| 119 | 73 | 3 | 104.1 | 68.6 |
| 120 | 73 | 3 | 104.1 | 68.6 |
| 121 | 73 | 3 | 104.1 | 68.6 |
| 122 | 73 | 3 | 104.1 | 68.6 |
| 123 | 73 | 3 | 104.1 | 68.6 |
| 124 | 73 | 3 | 104.1 | 68.6 |
| 125 | 73 | 3 | 104.1 | 68.6 |
| 126 | 73 | 3 | 104.1 | 68.6 |
| 127 | 73 | 3 | 104.1 | 68.6 |
| 128 | 73 | 3 | 104.1 | 68.6 |
| 129 | 73 | 3 | 104.1 | 68.6 |
| 130 | 73 | 3 | 104.1 | 68.6 |
| 131 | 73 | 3 | 104.1 | 68.6 |
| 132 | 73 | 3 | 104.1 | 68.6 |
| 133 | 73 | 3 | 104.1 | 68.6 |
| 134 | 73 | 3 | 104.1 | 68.6 |
| 135 | 73 | 3 | 104.1 | 68.6 |
| 136 | 73 | 3 | 104.1 | 68.6 |
| 137 | 73 | 3 | 104.1 | 68.6 |
| 138 | 73 | 3 | 104.1 | 68.6 |
| 139 | 73 | 3 | 104.1 | 68.6 |
| 140 | 73 | 3 | 104.1 | 68.6 |
| 141 | 73 | 3 | 104.1 | 68.6 |
| 142 | 73 | 3 | 104.1 | 68.6 |
| 143 | 73 | 3 | 104.1 | 68.6 |
| 144 | 73 | 3 | 104.1 | 68.6 |
| 145 | 73 | 3 | 104.1 | 68.6 |
| 146 | 73 | 3 | 104.1 | 68.6 |
| 147 | 73 | 3 | 104.1 | 68.6 |
| 148 | 73 | 3 | 104.1 | 68.6 |
| 149 | 73 | 3 | 104.1 | 68.6 |
| 150 | 73 | 3 | 104.1 | 68.6 |
| 151 | 73 | 3 | 104.1 | 68.6 |
| 152 | 73 | 3 | 104.1 | 68.6 |
| 153 | 73 | 3 | 104.1 | 68.6 |
| 154 | 73 | 3 | 104.1 | 68.6 |
| 155 | 73 | 3 | 104.1 | 68.6 |
| 156 | 73 | 3 | 104.1 | 68.6 |
| 157 | 73 | 3 | 104.1 | 68.6 |
| 158 | 73 | 3 | 104.1 | 68.6 |
| 159 | 73 | 3 | 104.1 | 68.6 |
| 160 | 73 | 3 | 104.1 | 68.6 |
| 161 | 73 | 3 | 104.1 | 68.6 |
| 162 | 73 | 3 | 104.1 | 68.6 |
| 163 | 73 | 3 | 104.1 | 68.6 |
| 164 | 73 | 3 | 104.1 | 68.6 |
| 165 | 73 | 3 | 104.1 | 68.6 |
| 166 | 73 | 3 | 104.1 | 68.6 |
| 167 | 73 | 3 | 104.1 | 68.6 |
| 168 | 73 | 3 | 104.1 | 68.6 |
| 169 | 73 | 3 | 104.1 | 68.6 |
| 170 | 73 | 3 | 104.1 | 68.6 |
| 171 | 73 | 3 | 104.1 | 68.6 |
| 172 | 73 | 3 | 104.1 | 68.6 |
| 173 | 73 | 3 | 104.1 | 68.6 |
| 174 | 73 | 3 | 104.1 | 68.6 |
| 175 | 73 | 3 | 104.1 | 68.6 |
| 176 | 73 | 3 | 104.1 | 68.6 |
| 177 | 73 | 3 | 104.1 | 68.6 |
| 178 | 73 | 3 | 104.1 | 68.6 |
| 179 | 73 | 3 | 104.1 | 68.6 |
| 180 | 73 | 3 | 104.1 | 68.6 |
| 181 | 73 | 3 | 104.1 | 68.6 |
| 182 | 73 | 3 | 104.1 | 68.6 |
| 183 | 73 | 3 | 104.1 | 68.6 |
| 184 | 73 | 3 | 104.1 | 68.6 |
| 185 | 73 | 3 | 104.1 | 68.6 |
| 186 | 73 | 3 | 104.1 | 68.6 |
| 187 | 73 | 3 | 104.1 | |

| | | |
|------------|----|----|
| Ammer Goss | 47 | 35 |
| Wasserman | 4 | 62 |

| | | | | |
|-----|-----|-----|-------|------|
| 119 | 57 | 4.2 | 115.0 | 10.9 |
| 255 | 180 | 57 | 235.5 | 32.3 |
| 177 | 137 | 57 | 70.4 | -7.9 |
| 255 | 187 | 1.5 | 312.3 | 18.6 |
| 98 | 59 | - | - | - |
| 365 | 173 | 0.4 | 306.3 | 2.1 |
| 35 | 35 | - | - | - |
| 31 | 30 | 0.5 | 35.5 | 15.3 |
| 21 | 4 | - | - | - |
| 145 | 75 | 2.3 | 178.5 | 19.5 |
| 59 | 4 | - | - | - |
| 103 | 78 | 1.5 | 115.5 | 9.3 |
| 117 | 57 | 2.6 | 74.6 | -2.5 |
| 82 | 123 | 3.8 | 211.1 | 25.5 |
| 114 | 115 | 1.5 | 85.5 | 3.2 |
| 125 | 132 | - | - | - |
| 66 | 4 | 4.5 | - | - |
| 61 | 38 | 5.5 | 50.5 | 9.9 |
| 117 | 101 | 1.5 | - | - |
| 225 | 215 | 3.6 | 301.5 | 27.1 |

| | | | |
|--------------|----|-----|---|
| | 11 | 11 | 7 |
| v & Mar Ext. | +1 | 102 | |

| | | | |
|-----|-------|-------|--------|
| 21 | 7 | - | 6.7 |
| 22 | 73 | 18.9 | - |
| 23 | 14 | - | 27.8 |
| 110 | 85 | 10.6 | 37.1 |
| 25 | 42 | - | 144.5 |
| 26 | - | - | 80.6 |
| 27 | 120 | 5.1 | - |
| 28 | 65 | 8.4 | - |
| 29 | 125 | 110.6 | 12.8 |
| 114 | 76 | 11.4 | - |
| 59 | 13 | - | 104.3 |
| 85 | 1 1/2 | - | 75.1 |
| 95 | 64 | - | - |
| 224 | 194 | 4.6 | - |
| 159 | 103 | 14.1 | - |
| 171 | 59 | - | 193.7 |
| 181 | 163 | - | 50.7 |
| 243 | 280 | 23.8 | - |
| 285 | 605 | - | 1101.0 |
| 128 | 129 | 8.5 | 224.8 |
| 232 | 98 | - | 34.3 |
| 242 | 58 | 9.3 | - |
| 249 | 124 | - | - |
| 231 | 50 | - | - |
| 238 | 180 | 4.4 | 148.8 |
| | | | 12.1 |

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NUMBER **Cost****NUMBER** **Cost**[illegible][illegible][illegible]

FT Cityline
Real time share price
is available through
service.
Annual subscription
Call +44 71-925 21

● Current Unit Trust prices are available from FT Cityline. For further details see page 10.

品 牌 名 稱: 7

[illegible][illegible][illegible]

| | | | | | | |
|----------------------------|-----|-------|-------|--------|--------|------|
| Capital Income | -3% | 75.54 | 75.57 | 86.74 | 70.71 | 1.44 |
| PCF (Managed) | -3% | 56.52 | 56.52 | 66.74 | 50.71 | 1.44 |
| PCF (Unmanaged) | -3% | 71.80 | 71.80 | 78.71 | 67.73 | 1.44 |
| UK Income | -5% | 49.50 | 49.50 | 53.04 | 42.52 | 3.40 |
| Real Income Pools | | | | | | |
| Capital (Net) | - | 51.37 | 51.37 | 51.37 | 48.65 | 8.65 |
| Corporates (Mkt) | - | 55.29 | 55.29 | 55.29 | 55.29 | 8.65 |
| Income Income | -5% | 72.40 | 72.40 | 77.82 | 65.79 | 8.65 |
| GPI | - | 36.06 | 36.06 | 36.06 | 34.07 | 7.99 |
| Income & Goods | - | 30.78 | 30.78 | 30.78 | 31.15 | 3.72 |
| Minimum Net W | - | 74.48 | 74.48 | 74.48 | 74.48 | 8.65 |
| Minimum Net W | - | 74.48 | 74.48 | 74.48 | 74.48 | 8.65 |
| UK Income | -5% | 281.9 | 281.9 | 302.71 | 148.00 | 3.61 |
| Banker Institutional Pools | | | | | | |
| Financial Services | -5% | 48.78 | 48.78 | 50.82 | 48.78 | 9.99 |
| Property Assets | -5% | 50.64 | 50.64 | 50.64 | 48.78 | 9.99 |

members have to the end of the 1977 Year's selection point select another time is indicated by the symbol alongside the involved or last name. The symbols are as follows: (P) - 0001 to 1000 (M) - 1001 to 1500 (D) - 1501 to 1600 (S) - 1601 to 1700 (N) - 1701 to 1800. Daily ending points are set on this basis of the calendar year. A Year's point is then any other before which becomes available.

(Other supplementary notes are contained in the last column of the FT Managed Funds Service.)

45 Life Assurance and Half Time Regulatory Organisation.
Centre Point,
103 New Oxford Street, London WC1A 1DB
Tel: 071 - 570 - 0446.

[illegible][illegible]

Compiled with the assistance of Lautro 85

Deck Asset Mgmt (Unit Trust) Ltd 609653F
Park View House, Front Street, Boston
Incorporated in the UK
Manager: - 54.74.72 25.77.88 30 62.94

Southern Eastern Fined Mergt Ltd Q2600F
Admin: 5 Ravinck Rd, Nottm, Gt. Leics, ENGL
Expiries: 0237 427350 Director: 0237 261010
Sister Mergt: 54.14.10 122.04.17 70.44 42.14

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هكذا من الكحل

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| JERSEY (REGULATED) | | | | | | | | | |
|------------------------------------|------|-------|-------|--------|--------|--------|--------|--------|--------|
| Fund Name | NAV | Price | Yield | Assets | Assets | Assets | Assets | Assets | Assets |
| ABF Fund Managers (UK) Ltd | | | | | | | | | |
| ABF Global Growth | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Income | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Equity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Bond | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Real Estate | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Commodities | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Hedge | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Alternative | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Multi-Asset | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Diversified | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Balanced | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Conservative | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Aggressive | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global High Yield | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Short-Term | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Long-Term | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Fixed Income | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Equity Income | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Growth & Income | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Diversified Growth | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Multi-Sector | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Sectoral | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Thematic | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Environmental | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Social | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Responsible | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Sustainable | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Impact | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global ESG | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Climate | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Water | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Forest | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Ocean | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Land | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Air | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Soil | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Biodiversity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Circular Economy | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Artificial Intelligence | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Quantum Computing | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Space Exploration | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Biotechnology | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Nanotechnology | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Robotics | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Cybersecurity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Data Science | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Cloud Computing | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Internet of Things | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Blockchain | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Cryptocurrency | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Marketing | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global E-commerce | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Transformation | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Innovation | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Disruption | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Economy | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Society | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Culture | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Lifestyle | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Health | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Education | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Work | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Play | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Leisure | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Entertainment | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Media | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Arts | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Creativity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Innovation | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Disruption | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Economy | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Society | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Culture | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Lifestyle | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Health | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Education | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Work | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Play | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Leisure | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Entertainment | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Media | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Arts | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Creativity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Innovation | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Disruption | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Economy | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Society | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Culture | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Lifestyle | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Health | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Education | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Work | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Play | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Leisure | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Entertainment | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Media | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Arts | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Creativity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Innovation | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Disruption | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Economy | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Society | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Culture | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Lifestyle | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Health | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Education | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Work | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Play | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Leisure | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Entertainment | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Media | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Arts | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Creativity | 1.00 | 1.00 | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| ABF Global Digital Innovation | 1.00 | 1.00 | | | | | | | |

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

New worries about sterling

STERLING tumbled by more than two pence against the D-Mark yesterday after an extremely gloomy set of indicators raised concerns that the UK economy may be continuing to stagnate, writes James Blitz.

Since the middle of December, currency dealers had believed that sterling was well underpinned against the German currency and that a return to the DM2.40 exchange rate seen in October was unlikely. Anecdotal evidence of a pick-up in shopping over the Christmas period was among the factors underlining that view.

But yesterday's unemployment figure, which showed a rise of 60,800 in the number of people out-of-work in December and the 0.5 per cent fall in manufacturing output in November, have changed some minds.

Several dealers said yesterday that, in the first quarter of this year, sterling could revisit the 1992 low of DM2.3690, against the prospect of more cuts in UK interest rates.

"The currency may enjoy some consolidation in the next couple of weeks because it has had such a huge fall since the start of the year," said Mr

Mark Brett, a currency analyst at Barclays de Zoete Wedd in London. "But there must be a risk that, in the run up to the budget, it will break due south again."

Mr Ian Harnett, chief economist at Société Générale Strauss Turnbull in London, said: "We are entering a period of great fragility for the pound. There is now a feeling in the market that UK rates will come down faster than Germany's, even if the Bundesbank eases policy next month."

The impact of yesterday's indicators was seen in sterling's temporary fall below DM2.50, which some technical analysts see as a significant support level.

The currency bottomed out at DM2.4950 and closed at DM2.4825, some 2½ pence down on the day and 4½ pence down on the week. The pound closed at \$1.6180 against the dollar, more than 2½ cents down on the day.

Sterling has seen sharp falls against the dollar several times in the last few months, only to back up above DM2.50 very promptly.

But, according to Mr Brett, the worrying factor about yesterday's UK indicators was that they showed that 3 points off interest rates and a significant devaluation had still failed to boost the economy.

He also believes that investors will seek very low levels for sterling/D-Mark if they are to invest in the estimated £50bn of gilts which will meet the Public Sector Borrowing Requirement for 1993/4.

By contrast, the dollar enjoyed some strength against the D-Mark after a business survey from the Philadelphia Federal Reserve showed an acceleration in manufacturing growth in January.

The dollar closed nearly a penny higher at DM1.6150. Against the yen, it was stronger at ¥125.00.

EMS EUROPEAN CURRENCY UNIT RATES

| | Unit | Rate | % Change | % Spread | Discrepancy |
|-------------------|----------|----------|----------|----------|-------------|
| Spanish Peseta | 166.386 | 166.386 | -0.01 | 0.00 | 0.00 |
| Portuguese Escudo | 200.482 | 200.482 | -0.01 | 0.00 | 0.00 |
| Belgian Franc | 36.363 | 36.363 | -0.01 | 0.00 | 0.00 |
| Dutch Guilder | 3.760 | 3.760 | -0.01 | 0.00 | 0.00 |
| Italian Lira | 1,936.27 | 1,936.27 | -0.01 | 0.00 | 0.00 |
| French Franc | 6.559 | 6.559 | -0.01 | 0.00 | 0.00 |
| German Mark | 1.000 | 1.000 | -0.01 | 0.00 | 0.00 |
| Irish Punt | 0.787564 | 0.787564 | -0.01 | 0.00 | 0.00 |

Unit rates are only for the European Monetary Unit (EMU) and are not for the actual currency. The percentage change is calculated on the basis of the unit rate for the previous day. The percentage spread is calculated on the basis of the unit rate for the previous day. The discrepancy is calculated on the basis of the unit rate for the previous day.

POUND SPOT - FORWARD AGAINST THE POUND

| Jan 21 | Day's report | Close | One month | % | Three months | % |
|---|---|-------|-----------|---|--------------|---|
| US - Canada - Mexico - Brazil - Argentina - Chile - Colombia - Czech Republic - Denmark - Ecuador - Egypt - France - Germany - Greece - Hong Kong - India - Indonesia - Italy - Japan - Korea - Malaysia - Mexico - Netherlands - New Zealand - Norway - Pakistan - Peru - Poland - Russia - Saudi Arabia - Singapore - South Africa - Spain - Sweden - Switzerland - Taiwan - Thailand - Turkey - UK - USA - Vietnam - | 1,546.0 1,540.0 1, | | | | | |

Commercial rates taken from the end of London trading. Six-month forward rates 2.53-2.58. 12-month forward rates 2.58-2.63.

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

| | Jan 21 | Day's forward | Close | One month | % p.u. | 77days forward | % p.u. |
|-------|--------|------------------|--------|-----------|--------------|-------------------|-----------|
| UK£ | 1.9330 | 1.9450 | 1.9378 | 1.9289 | 953.65-1.00% | 1.9431 | 3.64 |
| US\$ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| JP¥ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| CHF | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| HK\$ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| SG\$ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| AUD\$ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| NZ\$ | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| EUR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| SEK | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| NOK | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| DKK | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| PLN | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| CZK | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| HUF | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| RON | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| BGN | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| BRL | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| INR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| THB | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| MYR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| SAR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| KWD | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| QAR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| OMR | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| YER | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| EGP | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| SDG | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| ETB | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| UGX | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| LRD | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| MLI | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| GNF | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| CGF | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| ANG | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| AWG | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |
| USD | 1.2417 | 1.2465 | 1.2462 | 1.2455 | 953.65-1.00% | 1.2455 | 3.64 |

Commercial rates taken from the end of London trading. Six-month forward rates 2.53-2.58. 12-month forward rates 2.58-2.63.

EURO CURRENCY INTEREST RATES

| EURO-CURRENCY INTEREST RATES | | | | | | | | | | | | |
|------------------------------|------------|---------------|-----------|--------------|------------|----------|--|--|--|--|--|--|
| Jan 21 | Short Term | 7 Days notice | One Month | Three Months | Six Months | One Year | | | | | | |
| London | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Paris | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Am. Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Deutsche Mark | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Swiss Franc | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Italian Lira | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Spanish Peseta | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Portuguese Escudo | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Belgian Franc | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| French Franc | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Japanese Yen | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Malaysian Ringgit | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Philippine Peso | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Thai Baht | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Indonesian Rupiah | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | | | | | | |
| Singapore Dollar | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/8 | 7 1/ | | | | | | | |

Long term Eurodollar rates are 4.5-4.75 per cent; three-month Eurodollar rates are 3.5-3.75 per cent; six-month Eurodollar rates are 3.75-4.0 per cent; nine-month Eurodollar rates are 4.0-4.25 per cent; 12-month Eurodollar rates are 4.25-4.5 per cent.

EXCHANGE CROSS RATES

| | Jan 21 | Jan 22 | Jan 23 | Jan 24 | Jan 25 | Jan 26 | Jan 27 | Jan 28 | Jan 29 | Jan 30 | Jan 31 | Feb 1 | Feb 2 | Feb 3 | Feb 4 | Feb 5 | Feb 6 | Feb 7 | Feb 8 | Feb 9 | Feb 10 | Feb 11 | Feb 12 | Feb 13 | Feb 14 | Feb 15 | Feb 16 | Feb 17 | Feb 18 | Feb 19 | Feb 20 | Feb 21 | Feb 22 | Feb 23 | Feb 24 | Feb 25 | Feb 26 | Feb 27 | Feb 28 | Feb 29 | Feb 30 | Mar 1 | Mar 2 | Mar 3 | Mar 4 | Mar 5 | Mar 6 | Mar 7 | Mar 8 | Mar 9 | Mar 10 | Mar 11 | Mar 12 | Mar 13 | Mar 14 | Mar 15 | Mar 16 | Mar 17 | Mar 18 | Mar 19 | Mar 20 | Mar 21 | Mar 22 | Mar 23 | Mar 24 | Mar 25 | Mar 26 | Mar 27 | Mar 28 | Mar 29 | Mar 30 | Mar 31 | Apr 1 | Apr 2 | Apr 3 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|

[illegible]

| CANADA | Index | High | Low | Close | Chng | Index | High | Low | Close | Chng | Index | High | Low | Close | Chng | | | | | | | | | | | | | |
|--------------------------------------|-------|------|------|-------|------------------|---------|---------|---------|-------|------------------|---------|---------|---------|-------|------|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TORONTO | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 pm January 21 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Quotations in cents unless marked \$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20800 Abell P. 3 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1 | 117 1/2 | 117 1/2 | 117 1/2 | +1/4 | 21000 Alcan 2 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Agri 30 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 3 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 4 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Air Can 30 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 5 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 6 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 30 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 7 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 8 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 40 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 9 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 10 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 50 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 60 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 70 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 80 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 90 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 100 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 110 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 120 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 130 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 140 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 150 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 160 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 190 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 200 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 210 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 240 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 250 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 260 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 290 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 300 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 310 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 340 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 350 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 360 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 390 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 400 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 410 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 440 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 450 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 460 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 490 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 500 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 510 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 540 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 550 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 560 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 590 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 600 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 610 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 640 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 650 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 660 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 690 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 700 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 710 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 740 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 750 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 760 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 790 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 800 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 810 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 840 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 850 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 860 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 890 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 900 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 910 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 940 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 950 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 960 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 990 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1000 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1010 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1040 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1050 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1060 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1090 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1100 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1110 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1140 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1150 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1160 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1190 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1200 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1210 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1240 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1250 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1260 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1290 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1300 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1310 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1340 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1350 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1360 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1390 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1400 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1410 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1440 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1450 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1460 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1490 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1500 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1510 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1540 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1550 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1560 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1590 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1600 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1610 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1640 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1650 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1660 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1690 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1700 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1710 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1740 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1750 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1760 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1790 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1800 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1810 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1840 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1850 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1860 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1890 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1900 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1910 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1940 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 1950 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 1960 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 1990 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2000 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2010 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2040 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2050 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2060 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2090 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2100 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2110 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2140 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2150 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2160 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2190 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2200 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2210 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2240 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2250 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2260 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2290 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2300 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2310 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2340 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2350 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2360 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2390 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2400 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2410 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2440 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2450 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2460 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2490 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2500 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2510 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2540 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2550 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2560 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2590 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2600 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2610 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2640 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2650 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2660 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2690 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2700 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2710 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2740 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2750 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2760 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2790 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2800 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2810 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2840 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2850 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2860 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2890 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2900 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2910 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2940 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 2950 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | 21000 Alcan 2960 | 117 1/2 | 117 1/2 | 117 1/2 | -1/4 | | | | | | | | | | | | | | |
| 20800 Alcan 2990 | 1414 | 1414 | 1414 | -1/4 | 21000 Alcan 3000 | 117 1/2 | | | | | | | | | | | | | | | | | | | | | | |

| 1992-93 | Yr |
|----------------|-----|
| High Low Stock | Qty |

Continued on next page

YORP

AMERICA

US markets drift in directionless trading

Wall Street

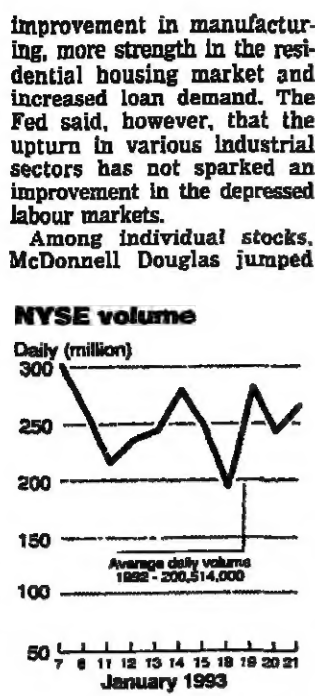
US STOCK markets continued to drift in directionless trading yesterday following a mixed Federal Reserve report on nationwide economic conditions, writes Patrick Harverson in New York.

At 1 pm, the Dow Jones Industrial Average was up 3.24 at 3,245.19, having spent all morning within a few points of Wednesday's close. The more broadly based Standard & Poor's 500 was up 0.64 at 433.91, while the Amex composite was up 0.04 at 405.25, and the Nasdaq composite was 0.90 firmer at 698.24. Trading volume on the NYSE was 150m shares by 1 pm.

The markets are currently trapped in a pattern of narrow gains, punctuated by the occasional sell-off, reflecting the fact that investors are searching for an external lead, but finding nothing.

Corporate earnings in the latest quarterly reporting season have been inconclusive, neither sufficiently positive or negative enough to affect sentiment.

As for the economic background, conditions continue to improve, but at a disappointingly slow pace. The "Beige Book" report yesterday found that retail sales were "significantly better" over the Christmas holiday season, a general



improvement in manufacturing, more strength in the residential housing market and increased loan demand. The Fed said, however, that the upturn in various industrial sectors has not sparked an improvement in the depressed labour markets.

Among individual stocks, McDonnell Douglas jumped

23 1/4 to \$55 in busy trading in spite of a 42 per cent decline in income from continuing operations during the final quarter of 1992. Investors, however, were cheered by a statement from McDonnell that said, but for its C-17 military aircraft programme, the government aerospace programme had their best year in the company's history. McDonnell was also optimistic about the out-

look for 1993, including the C-17 programme.

Tandem Computers was the most actively traded stock falling 3 1/4 to \$13 1/4 in volume of 5m shares after the company disappointed the market with fiscal first quarter net income of \$17.5m, or 16 cents a share.

Bank stocks were in mixed form following recent results, which showed an improvement in sector earnings. Wells Fargo remained in strong demand, rising \$1 to \$98 1/4, but Citicorp fell 1/2 to \$25 1/4 in volume of 2.6m shares, and Chemical slipped 3/4 to \$39 1/4.

Bear Stearns slipped 1/4 to \$17 on the news that fiscal second quarter earnings at the banking firm fell 17 per cent to \$64.3m, primarily as the result of lower investment banking and principal trading revenues.

Foodmaker fell 1/2 to \$12 after a report by the state of Washington's health department linked an outbreak of illness to meals sold by the company's Jack-In-The-Box units.

Canada

TORONTO stocks succumbed to weakness in banking issues leaving the TSE 300 index down 20.7 to 3,269.5 at mid-session. News that the Canadian Imperial Bank of Commerce issued two preferred shares issues weighed heavily on financials and CIBC slid 2 1/4 to C\$24 1/4.

Taiwan cautiously greets the Year of the Cockerel

Simon Davies reviews prospects for the market

The Year of the Cockerel is being greeted by many in Taiwan as the year which will see the stock market finally rebound from its 73 per cent slide over the past two years. But there are growing signs that it will open with further falls.

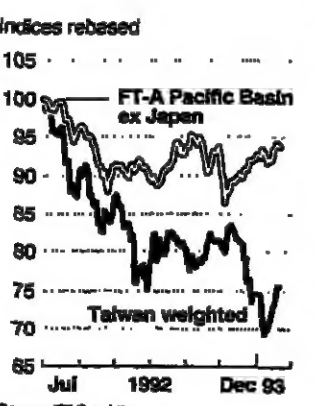
The government has finally made it clear that it is keen to support share prices and it has proposed long-awaited concessions, such as halving the stock transaction tax and easing restrictions for foreign institutional investors.

As a result of these measures - which have yet to be approved - the Taiwan Stock Exchange Index rallied 8 per cent to 3,430.82 in the last seven trading days before the Chinese New Year holiday.

In a market which has historically shown little interest in fundamentals, there are brokers who suggest that the 0.3 percentage-point tax reduction could be the sign local investors are looking for to return.

The economy is still seeing reasonable growth of around 6 per cent a year and company earnings are expected to recover in 1993 after declining in 1992. However, the market still looks fundamentally expensive by comparison to others in the region. HG Asia Securities in London expects company earnings in 1993 of 5.5 per cent, putting the market on a price-earnings ratio of 21.8 times. This compares with a pie of 9.4 in Hong Kong and 13.7 in Thailand.

Politics will remain a focus of attention when trading resumes next week. February will bring to an end the sensi-



The political news is not entirely negative. President Lee's mainstream faction of the ruling Kuomintang party encountered a substantial protest vote in the recent elections, but it still controls sufficient power in the legislature to suggest that there will be no significant change in its market-oriented policy.

Fundamental restraints remain. The government is projected to raise T\$100bn (US\$4bn) from privatisations this year, while brokers pre-

dict a further T\$60bn from private sector capital raising. This could create a substantial drain on liquidity, although the government plans may prove over-ambitious, after the T\$2.8bn China Airlines public offer was only 11 per cent subscribed.

More competition for liquidity will come from 15 new banks that opened last year and which are keen to expand their deposit base. Also, the level of Taiwanese investment into mainland China is showing no signs of abating: provisional estimates suggest \$3.5bn was invested last year.

Contracting this liquidity drain will be the capital invested by 11 proposed investment trusts, each of which has 45 days to raise T\$4bn. The first companies started fund raising shortly before the Chinese New Year and this should provide some support for blue chip companies.

Overall, the Year of the Cockerel appears unlikely to bring initial joy to Taiwanese stock speculators. However, there are some attractive sectors within this gloomy picture, such as electronics companies.

Brokers still hold out the distant hope that the prohibition on direct air and sea links, and investment, with the mainland will soon be lifted, allowing Taiwanese companies to gain the full benefits from China's expanding economy.

Mr Graham Ormerod of head of research at Jardine Fleming Taiwan Securities, says: "It is a risky market, but with high risks come potentially high rewards."

EUROPE

Bourses mixed after Bundesbank meeting

THE continent saw individual features predominating yesterday, writes our markets staff.

FRANKFURT eased while the decision by the Bundesbank not to lower interest rates came as no surprise. The DAX index closed 1.21 lower at 1,573.67 after a day's high of 1,582.73. Turnover fell to DM5.2bn from DM6.2bn.

Attention turns today to January inflation data which is expected to show an increase over the previous month, partly as a result of the increase in value added tax at the start of the year.

While there was little corporate news to stimulate interest the banking sector was active after reports of downgrades. Lehman Brothers in London said in a note released earlier this week that "the speed of the economic slowdown in the German economy makes us more cautious towards the banking sector as a whole" and has revised downwards its earnings estimates for 1992 and 1993 to reflect increased bad debt projections.

Deutsche Bank lost DM6.50

to DM645, Dresdner Bank fell DM3 to DM352 while Commerzbank went against the trend with a rise of DM3.10 to DM251.60.

PARIS continued to feature L'Yonnaisse-Dumex after the group forecast sharply lower 1992 net profit on Wednesday. The shares fell to a 12-month low of FF1382 before recovering to close down FF25.50 or 5.8 per cent at FF1408.00. Suez, which has a shareholding in the group, declined FF2.50 to FF269.50, while Générale des Eaux slipped FF36 to FF22.056.

The CAC-40 index closed 6.84 down at 1,812.18 in turnover of some FF2.3bn.

St Gobain lost FF8 to FF491 ahead of announcing a fall in 1992 earnings per share from 1991 after the close.

MILAN closed firmer but off session highs as an initial flurry of buying gave way to profit-taking before bargain hunters returned. The Comit index finished 2.26 higher at 487.6.

Interest by long-term investors in Generali was attributed to the planned introduction of

FT-SE Actuaries Share Indices

THE EUROPEAN SERIES

| January 21 | Open | 10.30 | 11.00 | 12.00 | 13.00 | 14.00 | 15.00 | Close |
|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| FT-SE Eurobank 100 | 1082.24 | 1083.03 | 1082.94 | 1082.35 | 1081.08 | 1080.91 | 1082.37 | 1081.44 |
| FT-SE Eurobank 200 | 1157.33 | 1157.22 | 1156.67 | 1155.71 | 1154.90 | 1155.43 | 1156.38 | 1154.96 |

| | Jan 20 | Jan 19 | Jan 18 | Jan 15 | Jan 14 |
|--------------------|---------|---------|---------|---------|---------|
| FT-SE Eurobank 100 | 1081.84 | 1080.81 | 1087.15 | 1089.58 | 1076.93 |
| FT-SE Eurobank 200 | 1153.29 | 1155.09 | 1166.50 | 1160.32 | 1154.08 |

New values 1993 (ESTIMATED) Highway 100 - 1094.12; 200 - 1158.37; Lowndes 100 - 1089.74; 200 - 1151.96

pension funds in Italy and expectations that more people would rely on life insurance as the government squeezes benefits. Generali fixed 1.780 higher at L33,210, but retreated to L33,000 in after-hours trading.

Shares in Cementir, the former state cement group, which was sold to the Calagistrone group of companies last year, surged in illiquid trading and the fixing was delayed to the end of floor dealings. The stock fixed L115 higher at L1,645 and rose to L1,680 after-hours.

ZURICH ended just off the day's high on selective buying in blue-chips. The SMI index rose 24.7 to 2,087.4.

Sandoz bearers, which fell

higher at 1,164.11 in high turnover of some BFR2bn.

Solvay advanced BFR625 or 5.3 per cent to BFR12,425 while Petrofina closed up BFR310 or 4.2 per cent at BFR7,820, off the day's high of BFR7,730, helped by news after Wednesday's close that it had sold its minority stake in Tractebel, up BFR90 at BFR8,220. Delhaize improved BFR36 or 2.8 per cent to BFR1,334 on a broker's upgrade.

AMSTERDAM rose as investors absorbed news of plans by Bols and Wessanen to merge. The CBS Tendency index closed 0.3 up at 99.2. Bols shed 90 cents to FI 46.10 while Wessanen lost 20 cents to FI 98.30.

Volters Klüber rose FI 1.60 to FI 88.90.

STOCKHOLM saw Astra weaken after local newspaper reports suggested that the cost of implementing its co-operation agreement with Merck of the US could be higher than anticipated because of the application in the US dollar. Its B shares lost SKr6 to SKr689. The Affarsvärlden index fell 5.9 to 927.2.

ASIA PACIFIC

Public fund buying lifts Nikkei in final hour

Tokyo

BUYING BY public fund managers during the final hour of trading left the Nikkei average firmer, writes Emilio Terazono in Tokyo.

The 225-issue average gained 28.50 at 16,538.68 after moving between 16,374.13 and 16,585.53. Arbitrage selling and profit-taking by foreign investors pushed the index into negative territory for most of the day, but prices finally found support from public buying and arbitrage purchases towards the end of the session.

Volume was almost unchanged, at 200m shares against 210m, and declines finally led rises by 572 to 307, with 210 issues unchanged. The Topix index of all first section stocks lost 1.42 to 1,264.66 and, in London, the ISE/Nikkei 50 index eased 0.35 to 1,034.38.

Overall trading remained weak, with most investors focusing on reports of corporate mergers and acquisitions. Confirmed reports that Nippon Steel was in talks with Minobe, the ball bearings company, over a transfer of NMB Semiconductor, Minobe's semiconductor affiliate, prompted the Japan Securities Dealers Association to suspend trading of NMB on the over-the-counter market.

The association also announced an investigation into possible insider trading of NMB shares after the stock rose to Y958.00 on Wednesday, more than double the traded price in December. Trading volume has surged by more than 40 times since late December. Minobe, the second most active stock on the first section, put on Y3 at Y471, while Nippon Steel edged forward Y1 to Y286.

Meanwhile, reports that Ito Yokado, a supermarket chain, was buying a 29 per cent stake in Isetan, a leading department

store, from Shuwa, the aliling stock and property speculator, prompted volatility among retail sector issues. Isetan plunged Y400 to Y1,980, while Ito-Yokado, which later said talks to acquire the stake had fallen through, retreated Y150 to Y3,500.

Reports that Matsuzakaya, another department stock held by Shuwa, would be sold next month unnerved investors. Shuwa held stakes in six retailers during the late 1980s but is currently seeing increasing pressure to raise funds to repay its mounting debts. Matsuzakaya dropped by its daily limit of Y200 to Y1,020.

Old Electric was the largest percentage gainer of the day, climbing Y33 to Y365. It is seen as a leading "restructuring" theme stock, along with Isuzu Motors, which was the day's most active issue, appreciating Y12 to Y360.

On the Tokyo SE foreign section, Royal Bank of Canada

decided to delist its stock, following five foreign companies that included General Motors, which delisted at the end of last year.

In Osaka, the OSE average slipped 91.02 to 18,011.77 in volume of 34m shares.

Roundup

SOME Pacific Rim markets moved ahead as a holiday mood took hold.

HONG KONG advanced on selective bargain hunting before the market closed for the Lunar New Year holiday.

The Hang Seng index finished the shortened week 37.37, or 0.64 per cent, ahead on the day at 5,814.39, having touched 5,935.15 at one stage after reversing early losses.

Turnover stayed slim, at HK\$2.34bn against Wednesday's HK\$2.48bn, with many local fund managers already on holidays.

Swire Pacific "A" rose

HK\$1.20 to HK\$31 as talks resumed to end the strike at Cathay Pacific, unchanged at HK\$9.35.

Property shares were sought amid speculation that the 70 per cent residential mortgage cap will be lifted to 90 per cent later this year.

SINGAPORE saw foreign demand for blue chip issues which took the Straits Times Industrial index 15.71 higher to 1,593.87 in volume of 63.9m shares. Overall, however, declining issues outnumbered gainers by 111 to 79.

The strong close led to expectations that there could be a push into record territory during today's half-day session, ahead of the long weekend break. The current record of 1,607.12 was set in March 1990.

Among blue chips, Cerebos ended 14 cents up at S\$4.64 after Sundry placed 15m shares at S\$4.30 overnight.

AUSTRALIA tended lower in thin trading, with a weaker

Australian dollar keeping foreign investors away.

The All Ordinaries index ended 2.7 off at 1,519.1, after having dipped to 1,514.3 at one stage, in volume that totalled AS\$195.64m.

NAB lost 3 cents to A\$7.52 in spite of predictions at the bank's annual meeting of improved profits, while ANZ shed 2 cents to A\$6.02 and CBA dipped 3 cents to A\$5.55.

MANILA climbed in a strong, broadly based rally sparked by the rebound of telephone giant Philippine Long Distance Telephone by 20 pesos to 880 pesos. The composite index rose 21.56 to 1,331.54 for a two-day advance of \$8.24.

KUALA LUMPUR picked up some early losses to finish mixed, but trading was restricted.

BANGKOK saw demand for the big property issues, which pushed the SET index up 1.04 to 955.34, its highest level since November 5.

WHERE TO WATCH THE FT THIS WEEK

| MONDAY | TUESDAY | WEDNESDAY |
|---|---|---|
| European Business Today SUPER CH: 7.30 and 22.30 Analysis from the boardrooms and bourses plus interviews with market and FT experts. | European Business Today SUPER CH: 7.30 and 22.30 Analysis from the boardrooms and bourses plus interviews with market and FT experts. | European Business Today SUPER CH: 7.30 and 22.30 Analysis from the boardrooms and bourses plus interviews with market and FT experts. |
| THURSDAY | FRIDAY | SATURDAY |
| European Business Today SUPER CH: 7.30 and 22.30 Analysis from the boardrooms and bourses plus interviews with market and FT experts. | European Business Today SUPER CH: 7.30 and 22.30 Analysis from the boardrooms and bourses plus interviews with market and FT experts. | West of Moscow SKY NEWS 11.30 17.30 The only regular television coverage of political, social and economic affairs in East Europe and Russia. |
| <p>*Financial Times Reports SKY NEWS 21.30 Why Europe's automakers face new competition from British-based Japanese manufacturers</p> <p>*Financial Times Reports SUPER CHANNEL 20.00 SKY NEWS 13.30 21.30 The most dangerous airport in the world: the hazards of travelling through Moscow Airport.</p> <p>West of Moscow SUPER CHANNEL 19.30 The only regular television coverage of political, social and economic affairs in East Europe and Russia.</p> <p>*Financial Times Reports SUPER CHANNEL 09.30 Why Europe's television industry is fighting for quotas for American mini-series.</p> | | |

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|--|--|---------------------------|----------------|----------------------|-----------|----------|----------------------|--------------------|------------------|-----------------|----------------|-------------------------|-----------|----------|----------------------|--------------------|------------------|-----------------|----------------|----------------------|-----------|----------|----------------------|--------------------|------------------|
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| NATIONAL AND REGIONAL MARKETS | | WEDNESDAY JANUARY 20 1993 | | | | | | | | | | TUESDAY JANUARY 19 1993 | | | | | DOLLAR INDEX | | | | | | | | |
| | | US Dollar Index | Day's Change % | Pound Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield | US Dollar Index | Day's Change % | Pound Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield | US Dollar Index | Day's Change % | Pound Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield |
| Figures in parentheses show number of lines of stock | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australia (66) | | 119.40 | -0.1 | 114.87 | 94.31 | 99.73 | 118.41 | +0.2 | 4.10 | 119.51 | 114.42 | 94.84 | 100.10 | 118.16 | 118.35 | 108.18 | 146.46 | | | | | | | | |
| Austria (18) | | 134.38 | +1.0 | 129.28 | 106.14 | 112.23 | 112.25 | +0.6 | 2.18 | 133.08 | 127.40 | 105.51 | 111.45 | 111.62 | 188.70 | 131.18 | 108.19 | | | | | | | | |
| Belgium (42) | | 136.73 | +1.0 | 131.55 | 107.96 | 114.20 | 111.44 | +0.5 | 5.42 | 135.42 | 129.08 | 107.47 | 113.42 | 110.86 | 162.27 | 131.19 | 144.90 | | | | | | | | |
| Canada (113) | | 113.86 | -0.5 | 108.10 | 88.74 | 92.84 | 104.23 | -0.2 | 3.17 | 112.90 | 108.09 | 88.59 | 94.55 | 104.40 | 142.12 | 111.30 | 141.41 | | | | | | | | |
| Denmark (23) | | 204.84 | +1.3 | 197.08 | 161.79 | 171.09 | 171.78 | +0.6 | 1.59 | 202.26 | 193.67 | 162.53 | 169.42 | 170.78 | 273.94 | 181.70 | 255.82 | | | | | | | | |
| Finland (23) | | 89.25 | -1.0 | 86.83 | 54.70 | 57.84 | 79.08 | -0.5 | 1.78 | 89.98 | 87.00 | 55.54 | 58.61 | 79.52 | 88.80 | 52.94 | 84.77 | | | | | | | | |
| France (99) | | 149.28 | +0.4 | 142.68 | 117.17 | 123.89 | 126.24 | -0.8 | 3.57 | 148.91 | 142.59 | 118.17 | 124.71 | 127.31 | 168.75 | 139.83 | 150.81 | | | | | | | | |
| Germany (62) | | 107.22 | +0.1 | 103.15 | 84.69 | 89.55 | 89.35 | -0.2 | 2.54 | 107.13 | 102.57 | 85.03 | 89.72 | 89.72 | 129.59 | 101.59 | 120.21 | | | | | | | | |
| Hong Kong (55) | | 235.18 | -0.4 | 226.25 | 185.75 | 196.43 | 233.50 | -0.5 | 3.85 | 236.19 | 225.13 | 187.44 | 197.83 | 234.59 | 282.28 | 175.36 | 183.39 | | | | | | | | |
| Ireland (16) | | 138.10 | -1.0 | 132.87 | 109.08 | 115.34 | 117.87 | -1.1 | 4.50 | 139.47 | 133.53 | 110.59 | 118.81 | 119.28 | 173.71 | 122.98 | 171.35 | | | | | | | | |
| Italy (76) | | 80.75 | +0.7 | 58.45 | 47.98 | 50.74 | 66.56 | +0.0 | 3.12 | 80.32 | 57.75 | 47.87 | 50.62 | 60.88 | 80.88 | 47.47 | 78.17 | | | | | | | | |
| Japan (472) | | 101.54 | -0.4 | 87.70 | 80.20 | 84.82 | 80.20 | -0.8 | 1.04 | 101.67 | 97.83 | 80.92 | 89.42 | 90.92 | 140.95 | 87.27 | 128.80 | | | | | | | | |
| Malaysia (89) | | 289.04 | -0.3 | 248.22 | 204.59 | 216.35 | 258.04 | -0.5 | 2.57 | 293.90 | 246.94 | 206.25 | 217.67 | 229.40 | 282.42 | 212.49 | 224.89 | | | | | | | | |
| Mexico (18) | | 186.81 | +0.9 | 160.70 | 131.81 | 139.07 | 166.17 | +0.9 | 1.08 | 184.41 | 159.21 | 130.91 | 138.17 | 160.20 | 178.77 | 118.84 | 149.50 | | | | | | | | |
| Netherlands (29) | | 154.10 | +0.4 | 148.26 | 121.72 | 128.71 | 127.08 | +1.1 | 4.48 | 153.53 | 147.00 | 121.85 | 128.59 | 128.57 | 169.70 | 147.58 | 155.00 | | | | | | | | |
| New Zealand (13) | | 41.13 | -1.8 | 39.57 | 32.48 | 34.35 | 42.47 | -1.7 | 5.16 | 41.89 | 37.19 | 33.18 | 35.01 | 43.92 | 61.52 | 37.39 | 45.70 | | | | | | | | |
| Norway (22) | | 146.17 | -0.9 | 140.63 | 115.45 | 122.08 | 134.91 | -0.9 | 1.79 | 147.54 | 141.26 | 117.09 | 123.57 | 127.17 | 182.95 | 128.05 | 189.87 | | | | | | | | |
| Singapore (38) | | 210.84 | +0.4 | 202.84 | 166.53 | 176.09 | 180.85 | +0.4 | 2.04 | 209.08 | 201.04 | 166.64 | 175.86 | 180.19 | 229.83 | 179.85 | 228.13 | | | | | | | | |
| South Africa (80) | | 183.88 | -0.4 | 149.05 | 121.54 | 128.52 | 161.90 | -0.5 | 3.13 | 184.48 | 147.90 | 122.59 | 129.38 | 162.51 | 263.80 | 134.21 | 262.38 | | | | | | | | |
| Spain (47) | | 129.81 | +2.6 | 124.89 | 102.53 | 108.41 | 111.81 | +2.2 | 8.43 | 126.61 | 121.13 | 100.40 | 105.96 | 109.36 | 181.72 | 107.10 | 155.43 | | | | | | | | |
| Sweden (38) | | 163.68 | +0.4 | 157.36 | 129.19 | 136.61 | 173.79 | -0.2 | 2.47 | 162.92 | 155.95 | 129.30 | 138.46 | 174.13 | 200.26 | 149.89 | 183.93 | | | | | | | | |
| Switzerland (56) | | 111.85 | +0.1 | 107.17 | 88.35 | 93.43 | 100.50 | -0.1 | 2.21 | 111.25 | 105.94 | 85.65 | 92.83 | 102.07 | 122.37 | 96.99 | 102.40 | | | | | | | | |
| United Kingdom (226) | | 170.44 | -0.1 | 163.93 | 134.61 | 142.24 | 163.36 | +0.4 | 4.51 | 170.82 | 163.35 | 135.39 | 142.88 | 160.07 | 200.86 | 151.16 | 161.16 | | | | | | | | |
| USA (522) | | 177.24 | -0.4 | 170.55 | 140.00 | 148.04 | 177.24 | -0.4 | 2.89 | 177.55 | 170.38 | 141.23 | 148.05 | 177.95 | 190.06 | 160.92 | 170.35 | | | | | | | | |
| Europe (781) | | 137.48 | +0.1 | 132.27 | 108.59 | 114.83 | 124.74 | +0.1 | 3.78 | 137.21 | 131.46 | 108.97 | 115.01 | 124.50 | 158.88 | 131.21 | 147.69 | | | | | | | | |
| Norcic (114) | | 191.13 | +0.4 | 184.40 | 119.37 | 126.23 | 142.32 | -0.1 | 2.15 | 190.52 | 141.41 | 119.46 | 126.07 | 142.64 | 168.52 | 124.24 | 168.10 | | | | | | | | |
| World Ex US (718) | | 136.87 | +0.1 | 132.27 | 108.59 | 114.83 | 124.74 | +0.1 | 3.78 | 137.21 | 131.46 | 108.97 | 115.01 | 124.50 | 158.88 | 131.21 | 147.69 | | | | | | | | |
| Europe - Pacific (1436) | | 119.11 | -0.2 | 114.80 | 94.31 | 97.99 | 86.03 | -0.8 | 1.39 | 107.48 | 102.42 | 84.95 | 88.65 | 86.72 | 141.97 | 93.70 | 131.02 | | | | | | | | |
| North America (635) | | 173.23 | +0.4 | 166.96 | 136.89 | 144.71 | 172.30 | +0.4 | 2.90 | 173.52 | 167.82 | 135.05 | 140.75 | 172.97 | 197.81 | 145.91 | 157.89 | | | | | | | | |
| Europe Ex UK (556) | | 117.45 | +0.3 | 113.00 | 92.78 | 98.12 | 103.09 | -0.1 | 3.27 | 117.11 | 112.12 | 92.96 | 95.61 | 103.17 | 123.98 | 113.31 | 126.92 | | | | | | | | |
| Pacific Ex Japan (243) | | 156.27 | +0.3 | 150.33 | 123.45 | 130.53 | 145.93 | -0.2 | 3.84 | 156.70 | 150.03 | 124.38 | 131.26 | 148.15 | 174.31 | 148.06 | 162.90 | | | | | | | | |
| World Ex US (1987) | | 136.87 | +0.2 | 115.68 | 84.94 | 103.43 | 105.36 | -0.4 | 2.53 | 133.42 | 115.30 | 86.17 | 92.83 | 102.07 | 122.37 | 96.99 | 102.40 | | | | | | | | |
| World Ex UK (1983) | | 135.49 | +0.3 | 130.39 | 107.02 | 113.71 | 122.46 | -0.5 | 2.47 | 135.95 | 130.39 | 107.63 | 115.80 | 122.05 | 146.91 | 115.99 | 140.30 | | | | | | | | |
| World Ex So Af (1248) | | 138.52 | -0.1 | 139.20 | 108.42 | 115.11 | 125.76 | -0.4 | 2.68 | 138.88 | 132.97 | 110.23 | 118.33 | 126.25 | 153.01 | 130.04 | 148.63 | | | | | | | | |
| World Ex Japan (1737) | | 158.31 | -0.2 | 153.27 | 125.84 | 133.08 | 156.98 | -0.2 | 3.23 | 159.63 | 152.84 | 126.70 | 137.32 | 153.29 | 165.40 | 151.93 | 161.68 | | | | | | | | |
| The World Index (2208) | | 138.52 | -0.3 | 133.27 | 109.41 | 115.70 | 126.12 | -0.4 | 2.89 | 138.66 | 132.97 | 110.22 | 118.33 | 126.50 | 150.70 | 130.06 | 148.36 | | | | | | | | |
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| Latest prices were unavailable for this edition. | | | | | | | | | | | | | | | | | | | | | | | | | |